

The NATIONAL UNDERWRITER

Life Insurance Edition



Pattern for Sound Agency Progress

AS New England Mutual completes the greatest production year in its century of operations, the Company wishes to express, publicly, deep appreciation to its loyal field representatives, whose skilled services and professional attitudes have made this record possible.

We take this opportunity, also, to restate three agency principles which we believe have contributed largely to this outstanding performance and which will be basically responsible for continued sound progress.

1. MANPOWER OBJECTIVES — To define explicitly our manpower needs. This, a long-established company policy, is done at the beginning of every year in conference with each general agent, after a careful analysis of territorial possibilities and of the capacity of each agency's training staff.

2. SELECTION — To continue to strengthen our selection process and thus to reinforce the general agent's judgment in choosing quality men.

3. TRAINING — To emphasize recurrent training for full-time career men through the following facilities:

- a. *Career Underwriting*, our unique training course which has been in agency operation for seven years.
- b. *Home Office Course*, an intensive 10-day review, held in Boston, for agents who have received basic training in their agencies.
- c. *Advanced Underwriting*, our "post-graduate" program which has been used by qualified agents for the past five years. This includes detailed instruction in estate analysis, pension trusts, and business insurance.
- d. *Regional Clinics*, to supplement advanced training.
- e. "*Training the Trainer*," home office course for general agents and supervisors who have the responsibility for training within their agencies.
- f. *For Our Returning Veterans*, a special comprehensive program, including extensive agency retraining and a 10-day refresher course at the home office.

**NEW ENGLAND MUTUAL
Life Insurance Company of BOSTON**

GEORGE WILLARD SMITH, President

★ THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA—1835 ★

FRIDAY, JANUARY 18, 1946

Hokum...or HELP?



Perils of prosperity, and inflation are being reduced by wise farmers reducing debts. Annual interest and amortization on a 20 year 4% loan of \$15,000... at '39 prices took 2,449 bu. corn, today less than 1,000... took 82 hogs of 200 lbs.; now only 41... and the difference in the farmer's bankbook! See "Ten Farm Planks for 1946," page 20... for a strong sales story for insurance salesmen.



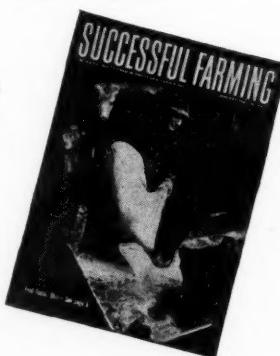
Wetter water.... Few years ago, SF reported discovery of wetting agent that cleaned cream separator in two minutes, saved twelve minutes per washing... And sales of agent jumped million pounds in a year... Off the market in wartime, the wetting agent is back, and Professor O. R. Elder tells of new time saving uses. Read "Save Yourself Some Extra Minutes... page 88.

Serious Study of the SF January issue... its factual articles on farm finance, production, distribution... many fine service features... will reveal the calibre and character of subscribing business men-farmers—today's top policy prospects! With a million plus circulation concentrated among farmers with the largest yields, highest dollar incomes, greatest property investment in the nation... SUCCESSFUL FARMING best opens doors for insurance agents, gets action for any good company! For facts, call any office! **SUCCESSFUL FARMING**, Des Moines, New York, Chicago, Atlanta, San Francisco, Los Angeles.

Star-spangled shows with glitter and glamour, hoopla and hullabaloo, county and state fairs were festive, gala. Despite the millions in public funds allotted for prizes, guarantees, etc., fairs were heavier on hokum than help.

USDA livestock reporter McIntyre, veteran of 300 fairs thinks public interest calls for reconversion. He would cull, have fewer, finer, well-located farm fairs... less speedy horseflesh, more choice cows, 4H Club calves, pigs... re-examine the show standards, combine form and function, type and production capacity... pass up show stock, concentrate on animals that give a good short-time money turnover, maximum utility, minimum waste.

His article will agitate fair secretaries, start thinking, talking, bring betterments... is in line with SF's policy of giving readers the plan-board advances as well as the field-proven successes. Insurance men alert (but not allergic) to altitude in ideas—see "Our \$30,000,000 Fairs," January SF.



Shows Reasons Behind Various Underwriting Rules

Pearce Shepherd
Says Classifications Are Justified Closely

The underwriter who selects risks at the home office would like to accept as many applicants at standard rates as possible, Pearce Shepherd, second vice-president and associate actuary of Prudential, said in talk before the Newark C.L.U. chapter.

That is perhaps his biggest job. Accepting as many more as he can at standard rates is the second part of his job. Rejecting as few as he can and being as sure of his ground as possible in doing so, is the first part of his job, Mr. Shepherd said.

Mr. Shepherd sought to show that underwriting rules are founded on reasons. Confidence between the field and home office on the question of underwriting is vital, he said.

Selection Based on Reason

"A few years ago we analyzed our substandard experience over a period of 10 years," he said. "We found that in our first substandard class the mortality experienced was practically identical with the mortality provided for by the premiums, and this was true both of those cases rated substandard because of medical impairments and those rated because of hazardous occupations. In our second substandard class we found that the experience on medical impairments was slightly worse than the premiums had provided for, and the experience on coal miners was substantially worse. The mortality on other occupations was somewhat better than provided for by the premiums. Over all, the class gave an experience very close to the premiums charged."

"Our third substandard class was comparatively small but the experience coincided very closely with the mortality provided for by the premiums. Our fourth substandard class was even smaller, but here again the experience was quite close to the mortality assumed in the premiums."

"I cite this experience as evidence that we do know what we are doing when we classify certain applicants in our substandard groups."

Ratings for particular impairment agree with the mortality experienced by a number of companies, he said.

It is not so easy to get figures showing the mortality of rejected lives. The nearest available experience is that under policies issued as group conversions, made up very largely of people who cannot secure life insurance in the regular way. This group shows a mortality of six to eight times that of select standard lives in the first few years and even after 10 years shows a substantial extra mortality. Not all rejected lives die within a few years but enough do to make the group uninsurable on any safe basis.

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Pearce Shepherd

Commerce Case Arguments Scanned for Hints

WASHINGTON—When the California insurance laws involved in the case of Robertson vs. People of California were enacted and how long they have been in effect, seemed to concern members of the U. S. Supreme Court to a considerable extent during recent arguments on that case. A number of questions were asked by justices along that line. To some hearers it appeared that if the laws had been in effect for a long time, the court might be less likely to upset them than if they were enacted recently.

Some of these questions as to timing seemed to be related to the dates of the S.E.U.A. decision and of enactment of public law 15.

An interested spectator during the arguments was Frank Elmore, formerly of the Department of Justice anti-trust division, and who had a hand in the investigation of S.E.U.A., its prosecution, and hearings on anti-trust moratorium legislation before congressional committees.

Defends California Law

Defending California law, T. A. Westphal, deputy state attorney general, said the "Court has declared insurance commerce clothed with a public interest, and, therefore, subject to regulation."

The right of First National Benefit Association of Arizona to write insurance in California is not involved, Westphal declared. The question of the licensing of agents is independent of the matter of requirements on the company.

"An agent's license does not tie him up with a particular company?" asked Justice Rutledge.

Westphal answered yes, but that a licensed agent could have placed insurance with a different company. He added that Robertson could not have gotten a California license for First National Benefit alone.

"You don't seek to justify exclusion of the company in this proceeding?" asked Chief Justice Stone.

"We don't think that is involved," Westphal answered.

All Such Insurers Barred

He said no domestic company of the type of First National can do business in California and that the section of law prohibiting such is a constitutional exercise of the state's police power.

California investigation over a period of several years, Westphal said, showed "that type of company was, from an actuarial standpoint, in a hazardous condition. These companies were in grave danger of insolvency." Section 10818, California insurance code, was adopted to meet that situation. Such companies' "rates are low and benefits high," according to Westphal. "A time of reckoning comes, according to the mortality table and they will have to make assessments. Then they lose business."

When Westphal said there is nothing in the S.E.U.A. decision barring California law, the Chief Justice suggested that the court in that case recognized insurance as commerce and that it could not be excluded.

"We have not said First National is excluded, but it must comply with California requirements," said Westphal.

"You are assuming this is a valid regulation."

"I am assuming it is valid. Perhaps I am assuming too much," replied Westphal, while the bench smiled.

Discussing the time element, Westphal said in response to questions, that the offense charged against Robertson occurred in August, 1944, and public law 15 was passed in 1945.

"That act indicates Congress was aware of the situation," said Westphal,

"and never intended to say state laws were invalid. The implications of the case are very serious. If California laws are not upheld it means any company can come in without complying with state standards, or even foreign companies could come in, and there would be no protection from insolvent companies."

"We do not say California laws should be set aside if they do not conflict with the pronouncement of this court that insurance is commerce," said Earl Blodgett, Los Angeles counsel for First National, in opening rebuttal argument which marked close of the discussion. "When state laws do conflict with that pronouncement, then we must draw a line." Counsel said Section 10818 is a "comparatively new statute," effective in 1940.

"You admit all the facts charged?" asked Justice Black.

"That is true," Blodgett replied.

"Is a surplus line broker different from others?" asked Stone.

"Not in the California insurance code," said Blodgett.

Couldn't Have Gotten Commission

Replying to claims in behalf of the state as to what might have been done under its laws, Blodgett said if Robertson had placed the insurance through a surplus line broker, he could not have gotten a commission. "There is no way this man could have done business in California so as to get surplus line license. He could not have placed the insurance under a broker's license."

Since 1940, said Blodgett, no life insurer can qualify in California unless it is a legal reserve company.

Under public law 15, he declared, "Congress has not given the states any more power than they had before. Congress could not authorize the states to impose undue burdens upon commerce."

Justice Black, pointing out that Congress can regulate interstate commerce, suggested the possibility of Congress authorizing the states to regulate interstate commerce in insurance.

Blodgett answered: "I do not think Congress could give blanket authority to the states to do the job."

Even though the U. S. Supreme

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Report Agreement on N. Y. Version of Guertin Bill

Requires State OK on Any Interest Factor Differential

Revised Guertin legislation which is acceptable to the companies and to the insurance department, it is reported, is ready for introduction in the New York legislature. This is the pivotal state in the program to make it possible for companies to bring out new rate manuals Jan. 1, 1948, on a uniform basis and in accordance with the uniform reserve and non-forfeiture valuation requirements.

In the original Guertin plan it was provided that mutual companies might pitch their reserve valuations with an interest factor $\frac{1}{2}$ percentage point lower than that used in setting up non-forfeiture benefits. A larger spread could be made with the express approval of the insurance department.

In what is reported to be an agreed bill in New York, it would be necessary for an insurer to get insurance department approval for the use of any such differential regardless of how small.

While this may not appear to be an important difference, it might very well have the psychological effect of deterring companies that otherwise would do so, from using a differential up to $\frac{1}{2}\%$.

Another change from the original plan in the reportedly agreed bill is that the maximum interest rate for valuation purposes is set at 3%. The maximum in the bills already passed in other states is 3.5%. That would not have any practical effect on company decisions under today's circumstances, because it is believed that no company wants to be less conservative than 3%.

The New York legislature in 1943 passed the Guertin bill, but it was vetoed by Governor Dewey on the grounds that he had not had time to study it sufficiently.

New Jersey Banks May Seek to Write Life Insurance

NEWARK—Savings bank executives in New Jersey are studying the possibilities of a life insurance plan similar to that in effect in Massachusetts, New York and Connecticut.

H. T. Stetson, president Half Dime Savings Bank, heads the group which feels the time is ripe for the Jersey savings banks to enter the life field.

The committee will survey the project with a view to drafting the necessary legislation.

Occidental Covers Kaiser-Frazer

A life, accident and sickness group contract on the Kaiser-Frazer Corp. has been placed with Occidental Life by the Michigan Insurance Agency, Detroit.

It covers approximately 1,000 current employees of the corporation and employees of the Graham-Paige Motors Corp. in Detroit. It is expected that some 14,000 employees will be covered when the new automobile manufacturers swing into full-time production.



John A. Mayer, assistant to the president and assistant secretary of Penn Mutual Life, has been presented the legion of merit which is the second highest award of the navy to non-combatants. The presentation was made by Vice-Admiral Denfield, chief of naval personnel. Mr. Mayer was a commander in the navy and directed the field forces of the naval officer procurement program. He was in service about four years and has now returned to his duties at Penn Mutual.

N.A.L.U. Fiscal Year Membership Goal 45,000

Dec. 31 Total 40,294

—N. Y. Beats Chicago Out of First Place

Registering the largest 12-month membership gain in its history, the National Association of Life Underwriters closed 1945 with an all-time high membership of 40,294, showing an increase of 5,266 during the year, announces William S. Leighton, New York Life, Minneapolis, chairman of the membership committee.

Thirty-nine new units were added to the roster during 1945 to increase the number now affiliated to 432. Of the associations, 281 equalled or exceeded their previous year's membership totals. Two local associations trebled and 16 doubled their membership.

Mr. Leighton announced that a membership goal of 45,000 has been set for the fiscal year next June 30. N.A.L.U. membership at the close of 1943 was 30,436.

At the close of 1945 the New York City association had regained its position as the largest local unit with 2,048 members. Chicago was second with 1,879, and the next eight leading associations were Pittsburgh (1,097); Los Angeles (885); Boston (853); Philadelphia (756); Cleveland (674); Detroit (584); Indianapolis (558), and Buffalo (508).

The 10 leading states were New York (4,227); Pennsylvania (3,758); Illinois (3,024); California (2,441); Ohio (2,381); Texas (2,119); Indiana (1,492); Massachusetts (1,370); Michigan (1,281), with Missouri and Virginia tying for tenth with 1,140 each.

Pennsylvania with 30 has the largest number of local associations. Texas was second with 24, then Illinois, 23; New York and Ohio, each 22; North Carolina, 19; Indiana, 18; Virginia, 15; California, Iowa and Michigan, 14 each.

Great-West Has New Training Course

Introduced at managers' meetings in Chicago, Toronto, Montreal and Winnipeg, an entirely new basic sales training course has been issued by Great-West Life. The course has been designed as a text for the basic training of all new representatives.

Enthusiastic reports about the course have been received from the managers. The latter, themselves graduates of the course, indicate that the new plan of training will be of the greatest value to them in the successful induction of new men into the business.

At present the course consists of nine booklets, dealing with facts concerning Great-West Life and the business from the agent's standpoint. It presents practical working habits and practices used by successful men in the company and in the business generally. In the near future three additional booklets will be published.

The successful completion of the course is the first step towards receiving a diploma which marks the recipient as a trained Great-West Life representative.

Arthur Johnston, who recently rejoined the company after active service in the Canadian navy, is educational supervisor.

Issues Are Closely Drawn in S. C. Tax Arguments

WASHINGTON—The merits of the South Carolina 3% discriminatory premium tax on foreign insurers are before the Supreme Court, as a result of Prudential's appeal from the South Carolina supreme court in its suit against Commissioner Benjamin, the state's motion to dismiss the appeal or affirm the state court's judgment, and the company's reply brief protesting against such course. The case, however, has not yet been argued orally.

Prudential, according to the brief, in 1945 paid in 16 states "whose taxes place a burden on interstate commerce (exclusive of the other 32 states where the tax is either questionable or non-discriminatory) \$6,072,355. These states are Alabama, Florida, Illinois, Indiana, Kansas, Kentucky, Michigan, Mississippi, Nebraska, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, Texas, and Wisconsin.

Prudential estimates total of "similar discriminatory taxes" paid by other companies in those 16 states amounts to \$32,900,000. The questions raised are declared vitally to affect the insurance business and the fiscal operations of the states.

Asks Early Decision

The company urges decision of the case before the time this year when companies "will be required to engage in additional litigation contesting the validity of 1946 premium taxes."

What effect was public law 15 intended to have on state discriminatory premium taxes, Prudential asks, and to what extent was Congress constitutionally able to so legislate?

"Certainly, Congress has no authority to levy a tax in a particular state for the benefit of that state," says Prudential, "nor does Congress have authority to adopt as its own a state law which it could not constitutionally enact. Congress has no authority to authorize South Carolina to levy a 3% tax on foreign insurance companies, but, if the interpretation placed on public law 15 by the supreme court of South Carolina is permitted to stand, the effect is to delegate to the state authority which Congress itself does not possess."

The company directs attention that 12 states out of 28 whose premium taxes, as of January, 1945, in its opinion, burdened interstate commerce, have recently enacted legislation "either completely or practically" eliminating the premium tax discrimination, while three

other states have passed laws purporting to do so, "but, in the opinion of the appellant" failing to do so.

The 12 states alluded to are: Arizona, Arkansas, Iowa, Maine, Missouri, New Hampshire, New Mexico, Oregon, South Dakota, Tennessee, Washington and West Virginia. The other three referred to are Florida, Oklahoma and Texas.

Thus legislatures of those states named, Prudential says, "have impliedly acknowledged the unconstitutionality of their respective previous premium tax statutes."

South Carolina, in its motion, contends that the questions involved are "unsubstantial" and do not need further argument.

The state contends (1) the company has failed to show its tax unfairly discriminates against foreign companies; that (2) the tax is levied against an intrastate activity of the company; (3), it does not contravene the due process or equal protection clause of the 14th amendment; (4) any burdens imposed by the state law on interstate commerce are authorized by public law 15, and (5) that that law "authorizing and approving" the South Carolina law "is a proper exercise of congressional power" under article 1, section 8, clause 3 of the federal Constitution.

In a brief in support of its motion to dismiss or affirm, the state said Prudential paid the premium tax for many years without protest. The business of many corporations includes both interstate and intrastate activity, and such corporations are subject to regulation and taxation both by federal and state governments.

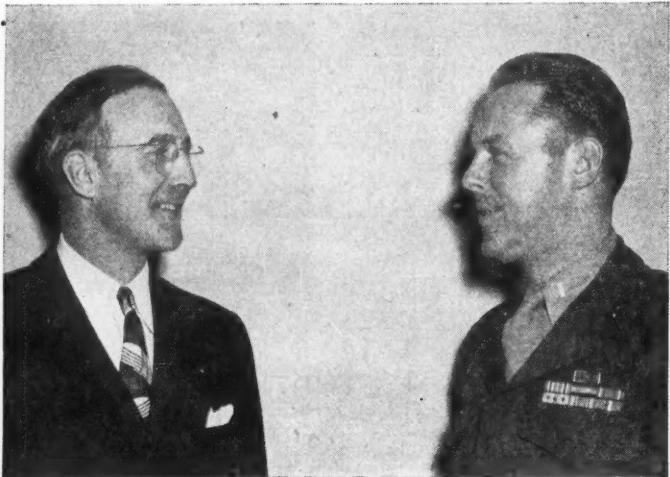
If the South Carolina tax is considered as levied on the right to do business in the state measured by a percentage of annual premiums on state business, it is a tax on intrastate activities, the state argues. Congress may authorize a state to regulate interstate commerce or to impose burdens upon it, it is further argued.

Prudential's alleged contention that the S.E.U.A. case destroys the state's power to regulate and tax foreign companies and invalidates the South Carolina law is declared by the state to be "based upon a misconception of the scope in that case."

The holding that certain phases of insurance activity subjected companies to anti-trust regulation "does not mean

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Bankers Life Welcomes Detroit Manager



Wm. F. Winterble, agency vice president of Bankers Life of Des Moines, welcomes Lt. Joseph V. Buck, Detroit

manager who returns to his post after service in the marines covering a period of 1½ years.

Celebrate Mutualization of General American

Festivities Mark Attainment of Goal in Less Than Decade

ST. LOUIS—Mutualization of General American Life has been completely accomplished.

The final step in the program, which was started in June, 1936, was taken at the annual meeting Tuesday, with the transfer of ownership from stockholders to policyholders and retirement of the final 9,400 shares of stock at a cost of \$564,000. Payment was made at the rate of \$60 per share, the price at which the stock was "frozen" when the plan was started.

The total from surplus earnings of General American that was utilized to complete the program was \$3,494,000. Under the arrangement stockholders were limited to only 3½-4% on the \$60 valuation and on the unretired stock.

President W. W. Head declared:

"From this day on, our policyholders will not only receive the final protection of their insurance; but they will also be the sole owners of the company, sole beneficiaries of its assets and earnings and sole arbiters of its destiny."

"It is impossible," he added, "for any individual to control the company against the best interests of the policyholders who compose it and own it."

Year End Figures Given

As of Dec. 31, 1945, General American had insurance in force of \$759,328,000; assets of \$147,166,000, and had \$500,000 capital and guaranty fund; \$1½ million net surplus, plus \$7,530,000 in contingent funds.

The completion of the program was celebrated Tuesday at a dinner attended by more than 500 members of the home office staff.

Presentation was made to the company of a portrait of President Head painted by Charles F. Galt, St. Louis portrait artist.

Hugh Stephens of Jefferson City, a director, in presenting the portrait, commended Mr. Head for his unselfish, generous and self-sacrificing action in proposing and making effective the mutualization program of the company. He said that at the time that the plan was launched, Mr. Head was the largest individual stockholder and that through the retirement of his own stock, had foregone the future earnings and profits which would have been received through his stock. He estimated that Mr. Head's personal contribution toward making the company's mutualization possible, together with that of his family, had exceeded \$1 million.

Guests of Honor

Guests of honor included: Ray B. Lucas, general counsel Kansas City Life, and Edward L. Scheufer of Kansas City, former superintendents of Missouri; Owen G. Jackson, the present superintendent; James P. Aylward, former special counsel for the department; R. L. Daniel, former Texas commissioner; O. R. Jackson, former chief examiner of the Missouri department; Carroll E. Nelson, former department actuary; C. F. O'Donnell, president Southwestern Life; Glenn Evans, deputy superintendent of Missouri; Ralph C. Lashly, chief counsel for the department; Judge Fred L. Williams, special counsel for General American; Chris J. Muckerman, John

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Slump in Group But Temporary, Parkinson Asserts

Reconversion Loss \$1 Billion 960 Million; '46 Prospects Bright

NEW YORK—Despite a decrease in the amount of employe protection through group insurance in 1945, which resulted mainly from the complete shutting-down of industrial organizations engaged exclusively in war production, Thomas I. Parkinson, president of Equitable Society, predicts that with the ending of reconversion and with stabilization of employment, there will be large gains in writings in the present year. These writings, it was estimated, will exceed those of the best previous year, and bring the total volume in force in all group-writing companies above the high peak that was registered at the end of 1944.

Mr. Parkinson based his prediction on the prospects of Equitable in 1946, especially as they apply to group life insurance, generally regarded as the primary coverage. In new business written in that form of protection in 1945, Equitable's volume of \$202 million was approximately one-fifth of the writings of nearly 100 companies in the field.

Mr. Parkinson claimed that Equitable also maintained its leadership in the writing of group annuities while its total premium income of approximately \$180 million in 1945 for all group coverages exceeded the record of 1944, the best previous year, by about \$15 million.

Huge War Record

Three of the war years, beginning with January, 1942, Mr. Parkinson said, registered a gain of nearly \$7 billion in group life insurance, equal to the increase in the best previous seven-year period, to bring the total in force in all group-writing companies at the end of 1944 to \$25 billion 600 million, an all-time high. A considerable proportion of that three-year gain came from increased employment in existing groups converted to war production and from new ordnance and other plants exclusively engaged in such production.

"Since the writing of group protection is primarily dependent upon employment, it was naturally expected that this type of insurance business would show a decrease during the industrial reconversion period following the ending of the war," he declared. "This is precisely what has occurred, with the decrease estimated at 9%. Figures just made available indicate that the seven major companies, writing about 85% of all group life insurance, have experienced a net loss of approximately \$1 billion \$960 million."

"This decrease resulted largely from the cancellation of group protection in many large plants devoted wholly to war production and which ceased operations entirely. The net loss was made considerably less by the writing of approximately \$1 billion of new group life insurance effective in 1945, comparing favorably with the amount written in a normal pre-war year."

South Coast Life Expanding

Paul Stever, formerly with the Austin, Tex., agency of the Republic National Life, has been appointed San Antonio district manager of South Coast Life of Beaumont. The company, which has confined its operations to east Texas, is now planning an agency expansion program.

John Hancock's Proposed Village



BOSTON—To build housing developments that will be a source of pride to residents of suburban communities is the purpose of John Hancock Mutual Life, which recently announced that it has been making detailed studies of the possibilities in suburban housing for a sound investment.

John Hancock contemplates the erection of the garden village type of community, designed along lines similar to developments in Pittsburgh, Dayton, O., Alexandria, Va., and Washington.

Present plans are for the erection of a garden village in suburban Boston and several sites are under consideration. The company is now exploring the possibilities of a tract in the Brookline-West Roxbury section on which it holds an option. That area is now zoned for single detached dwellings and a change in the zoning laws would be necessary, as the project would consist of self-contained single units and the duplex type of home.

John Hancock plans to erect single

houses on the boundaries of the development, which will follow the general character and architecture of the surrounding community. The general design of the homes will be based on the established architectural styles of the community. For example, the drawing above of the proposed Brookline-West Roxbury community shows exteriors planned to follow the New England colonial type. Family units consist of four, five and six rooms.

John Hancock is studying the possibilities for developments in a variety of areas, but it is proposed at the present time to use the development in its home area as a proving ground.

Rentals will be scaled to permit economical housing for the middle-income families, while giving the company a reasonable return on its invested funds.

Otis T. Abbott has been appointed district manager of Atlantic Life at Corpus Christi, Tex.

The Long Range View

A prospect bureau lead is too often viewed as either an idea for immediate use or a tip of no value at all.

In 1936 one of our most dependable veterans of the field received a prospect lead that on the face of it seemed to offer no opportunity. The prospect already was insured for \$7,000 with our company and \$4,000 with other companies. He was an accountant with an income of \$5,000, and wished no more coverage, at least for the time being. No sale!

But two years later our underwriter, having kept in touch, sold the accountant a \$1,000 contract for his wife, \$3,000 on his daughter, and \$2,600 on his sister-in-law.

And two years after that he sold to the prospect himself, and what he sold was four policies, for \$9,111, \$7,343, \$3,000, and \$2,500.

And four years more passed before the insured bought again, but then he took three more policies totaling \$99,881.

During the time the underwriter had been patiently working, the accountant had worked his way up to the position of president of the manufacturing company.

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Watch Health Cover Bills in N. J. and Cal.

Situation in Eastern State Is Believed Especially Critical

Those who are watching the progress of health insurance proposals throughout the country currently are particularly interested in the situation in New Jersey and California.

The New Jersey legislature, which meets annually, is in session and it is understood that CIO and AFL have agreed upon a health insurance bill and that it will receive the blessing of Governor Edge. The chances of its passage are regarded as excellent, particularly because New Jersey is one of the few states in which employees are required to pay a tax for unemployment compensation benefits. These payments could be converted into premiums for compulsory state health insurance and there would thus be no added cost to the employee, at least at the outset. A similar situation prevailed in Rhode Island which was the first, and is the only state so far, to enact a state health insurance measure.

The California legislature has gone into special session and health insurance was one of the subjects on the very lengthy call. Last year Governor Warren advocated such a law but he was not able to put it through. Such a measure at this time will have a very strong backing but it may run into obstacles because there are study committees of senate and house that are not due to report for several months. Those groups might very well object to passage of legislation before they have had an opportunity to report.

Cal. Has Employees Tax

California is one of the states in which there is a 1% tax on employees for unemployment compensation. The fourth is Alabama.

In Rhode Island there was a 1½% tax on employees for unemployment compensation. When state sickness insurance was introduced 1% was diverted to the sick insurance fund. There is now a movement in the state to channel the other .5% to the sick insurance fund.

In Rhode Island as a result of this law, group disability insurance is virtually a thing of the past and insurers are very selective in their underwriting of individual A. & H. policies due to the hazard of overinsurance. A worker can collect his state sick benefits on top of workmen's compensation and on top of continuation of salary by the employer, to boot. So a personal accident and health policy to top it all off might make a period of disability an extremely inviting prospect.

Some attention is being given to the New York legislature. Especial interest will be taken in the report of the medical care commission appointed in 1944 by Gov. Dewey that is headed by Dr. Basil MacLean of Rochester. That report is due Feb. 15.

The insurers are in favor of the so-called New Hampshire plan that requires employers to provide disability insurance through commercial sources. There would be no state insurance fund.

HEALTH BILL IN N. Y.

ALBANY—A state health insurance bill will be introduced in the New York

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All Lines, All Managers Parley of Travelers

The first conference in 17 years of all branch office managers of all departments of Travelers will be held at the home office Feb. 4-8. The 187 managers in the United States and Canada have been invited.

J. Doyle DeWitt, assistant to the president, is serving as general chairman.

Supervision of meetings of life managers will be in the hands of H. H. Armstrong, vice-president.

Headliners for Ky. Congress

COVINGTON, KY.—Speakers at the northern Kentucky sales congress here Jan. 24 are C. V. Anderson, Provident Mutual, Cincinnati, "The Value of Definite Income"; J. C. Benson, manager home office agency Union Central, Cincinnati, "Value of Membership in the Life Underwriters Association"; W. Scott Smith, general agent Massachusetts Mutual, Louisville, "Practical Sales Ideas for 1946"; and Capt. Laurence Hall, assistant pastor Christ Church, Cincinnati.



★ THE WARNINGS ISSUED SOME TIME AGO BY OUR LEADERS AGAINST CARELESS RECRUITING SEEMED TO ME AT THE TIME TO BE UNNECESSARY. BUT NOW I BELIEVE THAT THEY SHOULD HAVE BEEN ISSUED IN EVEN STRONGER TONES.

* * *

FOR WE ARE RECEIVING SO many requests for information on training programs, penciled requests on post cards, almost illegible notes on hotel stationery, evidences of a type of recruit who at least on the face of the matter should never have been recruited.

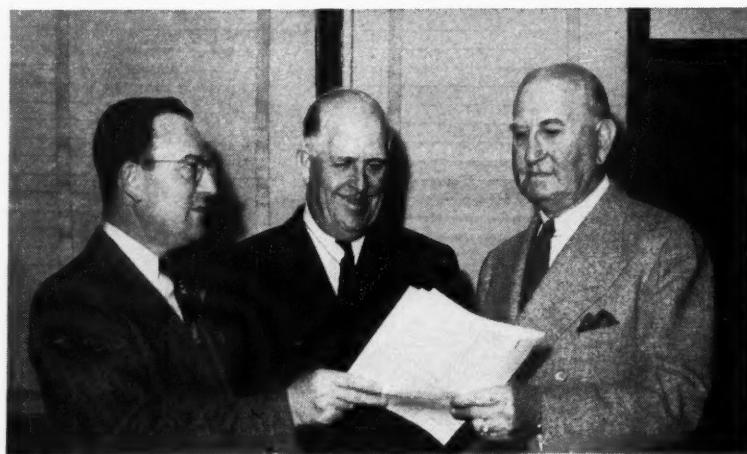
HERE IS A PARAGRAPH FROM ONE LETTER — "I have been appt. an agent for this county and I am going to sell \$150,000 in 6 mos. and then train two men to sell \$150,000 each before the end of the yr. Then I get a big bonus. I have never sold anything so I must hurry. Pls. to rush me your training course." Something terribly wrong about this kind of picture!

* * *

DO THE PEOPLE WHO ARE LIVING IN YESTERDAY'S RECRUITING WORLD EVER ASK THE QUESTION: "IF EVERYONE DID AS I AM DOING, WHAT KIND OF BUSINESS WOULD THIS BE?"

K&L
PAUL SPEICHER
Managing Editor
**THE INSURANCE
RESEARCH & REVIEW SERVICE**
INDIANAPOLIS

Pan-American Passes 250 Million



Kenneth D. Hamer, vice-president and agency director, Pan-American Life, is here handing a statement to President Crawford H. Ellis, while Executive Vice-President Edward G. Simmons, center, looks on, showing that the company, as of Dec. 31, 1945, passed the \$250 million mark in insurance in force.

New business paid for in 1945 was \$40,240,000, an increase over 1944 of \$6,100,000. Net gain in insurance in force for the year was reported to be \$24,572,00.

Pan-American's assets were increased \$8,130,000, and total assets now exceed \$68,100,000.

S.S. Board, Treasury Million a Day Are at Outs

The "Telegraph & News" of Macon, Ga., displayed prominently the story of an Equitable Society agent who, Dec. 14, had been notified by the social security board that he had been determined to be an employee of Equitable and would be assigned a social security account number. The agent is Louie A. Shirley. "Maconite Wins Long Fight for Social Security Right," the story was captioned.

Mr. Shirley, commencing in 1940, sought to establish his right to collect social security benefits. He said he appealed even to President Roosevelt. He declared that he was working not alone for himself but for the thousands of other agents "who had reached retirement age after devoting the best years of their life to the sale of life insurance, and would have no social security protection during their last years."

The social security board in recent months has been giving similar notification to life insurance agents and has declared its willingness to make survivors payments to widows of agents.

The social security board policy has been pursued in the face of Treasury Department ruling that ordinary life insurance agents are not employees and in the face of the fact that the Treasury has refused to impose any social security tax upon agents or their insurance companies. The social security board indicates an intention to go ahead and pay the benefits even though no social security premium had been paid by way of tax. It may be that this is some sort of a tactical maneuver on the part of the social security board to force the issue and either get the Treasury to change its tune or to bring about amending legislation definitely making life insurance selling a covered employment.

Conn. Mutual Refresher Under Way

Connecticut Mutual's second post-war training course for new agents is being held at the home office Jan. 7 to 18. Sixty-three per cent of those attending are veterans and 17 states are represented.

The school is under the general direction of Vincent B. Coffin, vice-president and superintendent of agencies, with Richard E. Pille, educational director, in charge, assisted by Edward C. Andersen and Frederick O. Lyter, assistant superintendents of agencies.

soring the campaign, but loaned the services of Seneca Gamble, who directed the promotion.

"Orchids for Joe Behan" was the promotional theme, and throughout the campaign, a golden bowl 16 inches wide and 8 inches deep stood against a gold cloth background on Mr. Behan's desk, to receive the orchid petals. It was brimful when the campaign ended.

Gold bordered greeting cards reached Mr. Behan by special delivery at his home, bringing congratulations and good wishes from hundreds of field men.

When Mr. Behan reached his office the next day he was greeted by 50 red roses from his fellow officers and an arrangement of 50 varieties of flowers from the home office family. During the luncheon Chairman Bertrand J. Perry presented the Massachusetts Mutual 50-year service medal to Mr. Behan.

The business submitted during the campaign kept the home office busy many nights, and issues have not yet caught up to applications received.

Use The **A & H. Bulletins** for disability policy and sales data. Write The **A & H. Bulletins**, 420 E. 4th St., Cincinnati 2, Ohio.

"Risk Appraisal" by Dingman Is Now on the Press

"Risk Appraisal," the first complete treatise in nearly 20 years, on the vitally important subject of how to select and appraise risks for life insurance and for accident and health, will be published shortly by THE NATIONAL UNDERWRITER. Written by Harry W. Dingman, vice-president and medical director Continental Assurance, this new comprehensive volume of some 850 pages is expected to become the new standard of authority on modern underwriting practices. It is the first complete treatment of selecting and appraising risks since "Insurability" by the same author was published in 1927. A multitude of changes has created a need for an up-to-date, practical and authoritative guide to "Risk Appraisal."

Besides being indispensable to home office men, "Risk Appraisal" is also of great interest and value to general agents, managers, brokers and progressive agents, as is proven by the fact that about 50% of the long list of advance orders are from field men. Presenting in understandable language, all of the factors that determine insurability, Dr. Dingman's new volume will make for a better understanding of modern underwriting and of the factors which permit forecast of health and longevity. It will be particularly helpful in the handling of "border line" risks and in the promotion of uniform underwriting. Agents will find much in "Risk Appraisal" of practical value in selecting risks so they will have the best chance of approval at the home office.

Considers All Phases

In 34 concise chapters "Risk Appraisal" specifically considers all phases of the subject: the hereditary, environmental, economic and physical factors—with special stress on habit and morals, and medical and physical impairments. Each subject is considered so as to make its significance certain and presented with warning of symptoms of related troubles that may affect the insurability of the case.

A cross-index facilitates quick location of anything that may have a bearing on a case in question. Especially important is the treatment of psychoneurosis, soldier rejects, tropical diseases and war disabilities, which like all other subjects are treated in detail.

Dr. Dingman is one of the best qualified underwriting authors in America. His earlier books, "Insurability," 1927, and "Selection of Risks," an abbreviated compendium published in 1935, have been used by practically every life and accident company in the world. He has a terse, logical and understandable style. Few company executives have his keen understanding of relationship between field and home office in underwriting. "Risk Appraisal" is written with a remarkable freedom from technical language, with short words and short sentences to get over the author's points quickly. Dr. Dingman is a fellow in the American Medical Association and a member of many insurance and medical societies.

"Risk Appraisal," now on the press, will sell singly at \$10 and may be ordered from THE NATIONAL UNDERWRITER, 420 East Fourth street, Cincinnati 2, O., or from any NATIONAL UNDERWRITER branch office.

Hobbs Speaks in Indianapolis

P. B. Hobbs, vice-president of the National Association of Life Underwriters, addressed the Indianapolis association Thursday at a luncheon meeting on "These Piping Times of Peace." He is agency manager in Chicago of Equitable Society, past president Illinois association, and past president Chicago Life Insurance & Trust Council.



SAME WORDS—opposite meaning! One reason why you have to use women's talk to women if you want their understanding—and that holds when you're discussing insurance with them, too.

LADIES' HOME *Journal*

THE MAGAZINE WOMEN BELIEVE IN

"Regionnaires" Again to Meet

The annual regional conventions of the Aetna Life's corps of "Regionnaires" will be resumed this year after a four-year suspension.

The western meeting will be held June 19-22 at the Tahoe Tavern, Lake Tahoe, Cal.; the eastern regional at Hotel Mount Washington, Bretton Woods, N. H., July 1-4, and the central regional at the Grand Hotel, Mackinac Island, Mich., July 8-11.

The "Regionnaires" are top salesmen who have to meet certain production requirements.

Occidental Opens Branch in Denver: Long Manager

Occidental Life of California will have two offices in Denver with establishment of a branch office there with John Long as manager. The Harry E. Tandy agency, which has represented the company there since 1932, will continue as a brokerage office under Mr. Tandy's direction, and will retain its office in 803 First National Bank building. The branch is in suite 706 in the same building. Full

time agency operation will be conducted there and all Occidental Denver agents have transferred to the branch.

Mr. Tandy joined Occidental in 1931 at Denver after experience as a banker in Colorado, where he was born. Mr. Tandy is a member of the Leading Producers Club.

Roy McAnally, home office supervisor, has moved his office to 701-702 First National Bank building, where he shares headquarters with J. E. Hall, regional group supervisor.

Colonial Life Campaign Sets Production Record

A nine-week production campaign organized by the field force of Colonial Life in honor of President Richard B. Evans resulted in more than \$2 million of ordinary business and a substantial amount of weekly premiums.

The campaign was carried on unknown to Mr. Evans and he first learned of it when presented with the results Dec. 15, the best production record for any corresponding period in company history.

Each branch presented Mr. Evans with a scroll listing individual performances and totals for the branch.

Phoenix Mutual Men Direct-Reading

Electrocardiograph Is Brought Out

Phoenix Mutual Life directors at a meeting promoted seven home office men.

Lyndes B. Stone and Herbert C. Skiff were elected secretaries; A. Chandler



HERBERT C. SKIFF

Ryder and Paul H. C. Haggard were named assistant secretaries; Hugh S. Campbell was appointed assistant counsel and George H. Hamilton and Olin J. Budd were appointed assistant comptrollers. Messrs. Campbell and Hamilton are in service in the U. S. naval reserve, and their promotions will be effective upon their discharge from active duty.

Mr. Stone, graduate of University of Kansas, and Yale Law School, joined the legal department of Phoenix Mutual in 1931. He was named attorney in 1934, head of the mortgage loan division in 1941, and assistant secretary and treasurer in 1939, assistant treasurer in 1941, and assistant secretary and treasurer in 1944. He is a member of the Connecticut bar.

Mr. Skiff, graduate of Wesleyan University, joined the company in 1923 in the sales promotion division, of which he was made manager in 1928. In 1932 he was advanced to agency secretary; in 1944 to assistant secretary.

Experience of Others

Mr. Ryder, a member of the company's treasury department since 1931, is a graduate of University of New Hampshire. He became assistant to the treasurer in charge of the bond division in 1939, and assistant treasurer in 1941. During the war he was a reserve naval lieutenant, junior grade, being placed on inactive status in November, 1945.

Mr. Haggard, graduate of Williams College and Hartford College of Law, joined Phoenix Mutual in 1932 and later became head of the income settlement division. He was advanced to attorney in 1940. Upon return in December from service as a lieutenant in naval reserve he was placed in charge of the planning department.

Mr. Campbell was graduated from Trinity College in 1932, and also is a graduate of Hartford College of Law and a member of the Connecticut bar. He entered the legal department in 1933 and was advanced to attorney in 1937. He is a lieutenant in naval reserve and expects to be placed on inactive status in February.

Hamilton Still in Service

Mr. Hamilton, also a lieutenant in naval reserve, will return to the company in March. He received the degree of bachelor of science in industrial engineering from Sheffield Scientific School of Yale University in 1931 and joined Phoenix Mutual's accounting division the

NEW YORK—Several new portable direct-writing electrocardiograph machines have recently been put on the market, one of which has been given widespread publicity as a new weapon in the war on heart disease. These eliminate the extra work and delay involved in the usual process of making an electrocardiogram in which the tracing must be developed in a photographic dark room.

However, while conceding the value of a portable machine of the direct-writing type in making a speedy examination of a patient suffering from a heart ailment, life insurance heart experts are inclined to discount the value of such new machines either in cutting down heart deaths or bringing about wider use of the electrocardiogram in selection procedures.

The best-publicized of these portable direct-writing machines traces the wave on waxed paper and the pattern is thus more vulnerable to damage than the usual type of tracing. Heat, for example, might cause the tracing to disappear by melting the wax.

Future Developments

Another electrocardiograph development, but one that is still in the future, is the use of the cathode ray tube, such as is used in television. This would permit the wave to appear as it is recorded, very much as on a television screen. The present difficulty with its use is that it is not sufficiently selective but picks up other minute bodily manifestations whereas the galvanometer used in the electrocardiograph responds only to the variations in electrical current in the heart muscle.

While considerable progress has been made in the interpretation of cardiograph tracings, the only improvement in the machines themselves has been a reduction in size and in simplicity of operation. Early machines required the services of an expert and even an expert had to take a good deal of time to set up the machinery for each test. Any intelligent person can operate a modern electrocardiograph.

III. Federation Committees Prepare for Meeting

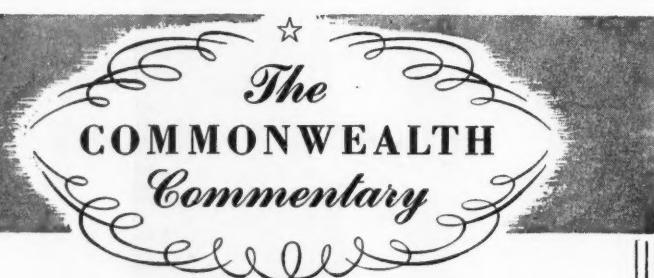
Nominating and auditing committees have been appointed by Rollin M. Clark, president of the Insurance Federation of Illinois, in preparation for the annual luncheon meeting to be held Feb. 19 in the Palmer House, Chicago. The nominating committee includes W. H. Hansmann, Fidelity & Deposit; L. D. Cavanaugh, Federal Life; E. H. Forkel, National Fire group; A. I. Wolff, Associated Agencies; J. B. Parker of Mack & Parker, and the auditing committee G. H. Ahrold, U. S. F. & G.; F. C. Read, Car & General, and W. A. Osgood, Indemnity of North America. The executive committee with C. F. Axelson, Northwestern Mutual Life, as chairman, is serving as program committee.

New Aetna Life School

HARTFORD — A new session of Aetna Life's home office life school is under way with 33 men, including 30 war veterans, from 15 states in attendance.

next year, being advanced to supervisor in 1944.

Mr. Budd, a graduate of Hobart College and Harvard School of Business Administration, joined the Rochester agency of Phoenix Mutual in 1934 and went to the home office accounting division in 1941. In 1942 he was advanced to supervisor in the division.



FIVE GREAT TRUTHS

Consider the importance of basic principles. Has any great undertaking ever succeeded without them? Consider, then, your life insurance career. Can it succeed unless based upon sound, fundamental truths?

Here at Commonwealth, we seek ever to instill into the minds and into the very habit patterns of our underwriters, a primary recognition of five great truths upon which we ask them to build their careers in the life industry.

To our trainees, we say —

You are not selling death insurance, but *life* insurance.

You are selling a service which is worth more to the buyer than your compensation is worth to you.

You have an essential message for every man and woman.

You are the only salesman who asks his prospects to save money, rather than to spend it.

Your service benefits society at large as well as the individual with whom you do business.

In these basic truths, every life underwriter can find new grounds for confidence and enthusiasm.

Insurance in Force, Nov. 30, 1945 — \$262,127,081

COMMONWEALTH
LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

Timetable Given for N.A.L.U. Omaha Mid-Year Parley

NEW YORK—The schedule is announced for the midyear meeting of the National Association of Life Underwriters in Omaha, March 13-16.

On March 13 will be held the meeting of the board of trustees.

On March 14, meetings of N.A.L.U.



LEE WANDLING

standing and special committees, with the state association officers meeting in the evening.

On March 15 comes the meeting of the national council.

On March 16 is the meeting of the board of trustees and the Omaha sales congress.

The committee meetings, which will run concurrently on Thursday, giving the committee members an opportunity to participate in the preparation of the final reports to be submitted to the national council on the following day, are an innovation this year. The plan is being received with considerable interest.

The Omaha committee, under the chairmanship of Lee Wandler, Equitable Society is in charge of local arrangements. Requests for hotel reservations should be addressed to Robert A. Wiley, 600 Securities building, Omaha 2, Neb.

17 Hospitals Withdraw from Mich. Blue Cross

Seventeen Michigan hospitals have announced their withdrawal from cooperation with the Michigan Blue Cross plan, charging that what they receive from the Blue Cross no longer covers their cost due to their increased expenses.

However, W. H. Lichy, executive director of the Michigan Hospital Service, stated that he had notified each of these hospitals that under their contract they are obligated to give six months notice of intention to withdraw and that during that period they must provide hospitalization for Blue Cross assured.

The withdrawing hospitals consist of 14 institutions operated by the Sisters of Mercy and Alexander Blain hospital, Charles Godwin Jennings hospital, and Delray General hospital.

There are two Sisters of Mercy hospitals in Detroit—Mt. Carmel Mercy and St. Joseph Mercy, and there are Mercy hospitals in Pontiac, Ann Arbor, Battle Creek, Bay City, Grand Rapids,

Muskegon, Cadillac, Manistee, Jackson, Lansing, Dowagiac and Grayling.

Mother Superior Mary Carmelita stated that the withdrawal was decided on "to stop deficits which were piling up on patients admitted under the plan." Actual costs, she declared, are sometimes \$2 a day higher than the amount recovered from the Blue Cross.

Robert E. Geoghegan, superintendent of Highland Park General hospital, and chairman of a committee of the Greater Detroit Hospital Council, is quoted as stating that the committee is studying the possibility of withdrawing all member hospitals whose costs are above the prices paid by the Blue Cross plan. He stated that the committee is working closely with Michigan Hospital Service in its study and a decision is pending as to whether the service in the future will pay the difference in cost to hospitals. He stated that many Detroit hospitals are going in the red on Blue Cross plan patients.

Mother Carmelita said her organization is glad to do charity work but desires to choose its own cases. "We have served many well-to-do patients under the plan," she said, "and lost money on them. We simply can't afford to do it any more."

A conference of hospitals affiliated with Michigan Hospital Service will be

held soon to thresh out differences says Mr. Lichy.

Some months ago the hospitalization committee of the Detroit Accident & Health Association under George LeBlanc, American Hospital-Medical Benefit, called the attention of the Greater Detroit Hospital Council to the charge that it is unfair to the public for the hospitals to in effect give preferential rates to Blue Cross assured.

The council appointed a committee headed by Mr. Geoghegan, to investigate the data presented to them by the insurance men. The committee represents 53 hospitals in the Detroit area.

Mr. Geoghegan announced that there will be no mass withdrawal of Detroit hospitals from the plan.

Continue "Differential Pay"

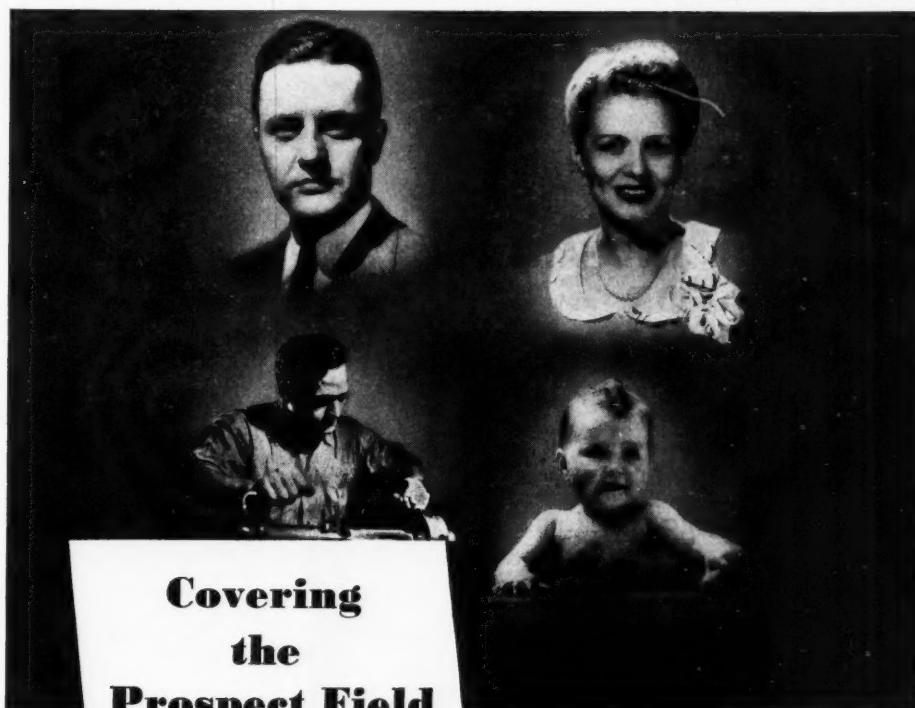
Northwestern Mutual Life now has announced the continuance of "differential pay" in 1946 to home office employees still in the service under their first enlistment or induction, until they return to the company employ but not longer than 90 days after discharge. Failure on the part of employees to apply for reemployment within 90 days will terminate such reemployment rights. In case of reenlistment the differential pay will stop.

Camps Not Trustee Candidate Now

NEW YORK—In last week's edition Manuel Camps, Jr., was mentioned as a possible selection to fill the N.A.L.U. trustee vacancy caused by the resignation of E. Dudley Colhoun. Mr. Camps, who is general agent here for John Hancock, is not a candidate at this time nor has he been, although many of his friends, acting from the best of motives, suggested his name to W. H. Andrews, Jr., chairman of the nominating committee. Both local and state associations in New York would be glad to have endorsed Mr. Camps now, as they did last year, but it was decided that he shall not be a candidate. Of course, there is a possibility that Mr. Camps may be a candidate at some future time.

Kiwanians to Hear N. C. Litwack

Ned C. Litwack, John Hancock, Newark, business and estate analyst, will address the Kiwanis Club of Irvington, N. J. Feb. 5 on "Planning Your Affairs in a Changing Economy." He is a life member of the Million Dollar Round



Covering the Prospect Field

LNL covers the entire prospect field. LNL agents can write—

MEN: A wide range of retirement and protection plans. Par and nonpar.

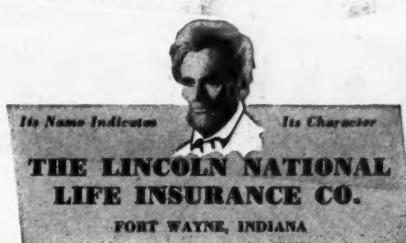
WOMEN: Popular retirement and low cost plans for married or single women. Par and nonpar.

CHILDREN: Juvenile plans down to one day old. Also attractive educational plans.

SUBSTANDARD: Whether it's an

occupational or physical life rating. LNL has a plan to fit the need. Graded death benefit plans too.

GROUP INSURANCE: Life, all casualty coverages, retirement plans and employee insurance.



More Than
1 1/4 Billion
Dollars of
Insurance in
Force.

Death Shows Up Inadequacy in Programming

DETROIT—The ideal time to program a man's estate is following his death, when exact values are known, H. H. Irwin, educational director Massachusetts Mutual, told the C.L.U. chapter here at a luncheon meeting. Home offices say that most programs arranged for clients are out of date when they die, he said. Often policies are found to have lapsed and the clean-up usually is inadequate.

Virtually all clean-up funds arranged for in programs made prior to five years ago are insufficient today and will gradually become still more inadequate as progresses in the future, as it is bound to do.

Problems of Small Estates

Adequate life insurance in an estate is more vital to the smaller estates and to the very large ones than to the medium-sized estates. No one earning less than \$10,000 a year can hope to save much of anything except his life insurance values. He is probably buying victory bonds, but almost certainly has

them earmarked for some specific purpose; their proceeds will almost surely not remain in his estate.

A man worth a million when he dies must have as a rule \$400,000 cash available to pay taxes, and not one such estate in a hundred has this much cash. Selling assets in order to raise cash can cause a terrific shrinkage in the estate.

Millionaire Needs Insurance

A \$2,000,000 estate would require probably over a million cash for taxes, and in most cases would be bankrupt by the necessity to raise that much in liquid assets. So the only way the rich man can provide for the necessary death dues is to carry insurance. Even after death taxes are paid, creditors get the first slice out of the remainder.

Talking of trends in the business, he said emphasis will continue to be placed on contracts with a considerable term element where the need for protection exists, and at the other end of the scale, contracts with a high investment element will continue to be in strong demand. Agents should follow holders of term-element contracts with a view to conversion to more permanent forms as soon as possible.

Use **The A. & H. Bulletins** for disability policy and sales data. Write **The A. & H. Bulletins**, 420 E. 4th St., Cincinnati 2, Ohio.

LIFETIME INDEMNITY FOR SICKNESS DISABILITY

Written in combination with life insurance plans, including Term.

First-day coverage if desired.

Women written also.

Not house-confining first year.

Liberal policy definition governs house-confinement requirement after first year.

Ask for "The Policy With a Heart" when inquiring.

Occidental Life Insurance Company
of California
V. H. JENKINS VICE PRESIDENT
We pay lifetime renewals — they last as long as you do



Texas Tri-City Meet Feb. 14-16

Texas agents will hear some of the nation's leading salesmen at the 17th annual Texas Tri-City Sales Congress scheduled for Dallas, San Antonio, and Houston Feb. 14, 15 and 16, respectively.



S. J. HAY

The team of principal speakers who will talk in all three cities includes Clancy D. Connell, New York City general agent of Provident Mutual and president of the National Association; Lester O. Schriver, general agent at Peoria for Aetna Life and a past president of the National Association; Sis Hoffman, million dollar producer at Cincinnati for Union Central, and S. J. Hay, president of Great National Life of Dallas.

Six Round Table Spokesmen

The Leaders' Round Table of Texas will be represented at Dallas by J. Perry Moore, Houston, Great Southern; at San Antonio by Hunter M. Jones, Wichita Falls, General American, and at Houston by Julien K. Moore, Waco, Southwestern Life. The Industrial Leaders' Round Table will be represented at Dallas by A. E. Minze, Houston, National Life and Accident; at San Antonio by R. P. Baxter, Rio Grande National Life; and at Houston by B. L. Loomer, Fort Worth, Universal Life and Accident.

Headquarters for the sessions will be the Baker hotel in Dallas, the Gunter hotel in San Antonio and the Rice hotel in Houston.

Prudential Investigates St. Louis Housing Sites

ST. LOUIS—John S. Jewett, second vice-president of Prudential, was in St. Louis last week to investigate housing investment possibilities.

Mr. Jewett, who has charge of real estate investments and commercial loans for Prudential, was in St. Louis as a result of a recent trip east by Mayor A. P. Kaufman to discuss the advantages of St. Louis for housing investments.

CONFER ON CHICAGO PROJECT

Two representatives of Prudential attended a meeting of a subcommittee of the Chicago city council housing committee. They were J. S. Jewett, second vice-president and Donald C. Hulmes, manager of the Chicago mortgage office. They stated Prudential is planning to erect two housing units in Chicago as soon as possible. One is a 200 unit project on about 10 acres. The other is a 200 to 400 unit project requiring 20 acres. Plans are for garden type of apartments of three to five rooms renting at about \$20 a room.

Profit Sharing Trust Starts with First Payment

WASHINGTON, D. C.—An employee profit sharing trust starts when the first valid payment is made thereto rather than when the trust instrument was executed, according to a ruling by C. B. Allen, deputy internal revenue commissioner.

The profit-sharing trust of the "M Company" did not come into existence until Jan. 10, 1944, when the first valid payment was made thereto, although the trust instrument was executed Dec. 29, 1943, so a deduction is not allowable for the calendar year 1943 for a contribution made by the company to the trust.

Under the circumstances, the department holds that no deduction is allowable for a contribution on account of that year even though an accrual entry was made as of the last day of such year. The "M Company," which reports to internal revenue authorities on an accrual basis, adopted the profit-sharing plan and executed a trust indenture Dec. 29. It determined a contribution on account of that year amounting to \$42,000 and set up the accrual entry in that amount as of Dec. 31.

The text of the ruling follows:

Under the local law prevailing in the jurisdiction where the employer and designated trustee are located the elements of a trust are specified to consist of a person competent to create the trust, sufficient words to create it, a person capable to hold as trustee, a declaration of the terms of the trust, a definite subject matter and delivery to the trustee of specific property which is to constitute the corpus of the trust.

In the instant case it is observed that all the elements were present on Dec. 29, 1943, except the last, the trust corpus, which was not furnished until Jan. 10, 1944. Thus, there was no trust in existence at the close of the calendar year 1943. Section 23(p)(1)(C) of the Internal Revenue Code provides for a deduction "In the taxable year when paid, if the contributions are paid into a stock bonus or profit-sharing trust, and if such taxable year ends within or with a taxable year of the trust with respect to which the trust is exempt under section 165(a) * * *." The trust of the M company was not exempt for 1943 because it did not come into being until the corpus was furnished on Jan. 10, 1944.

The provisions of section 23(p)(1)(E) are not applicable to the year 1943 in this case. That subparagraph provides that "For the purposes of subparagraphs (A), (B) and (C), a taxpayer on the accrual basis shall be deemed to have made a payment on the last day of the year of accrual if the payment is on account of such taxable year and is made within 60 days after the close of the taxable year of accrual." Subparagraphs (A) and (C) pertain to contributions paid into a trust. Since there was no trust in existence on the last day of the taxable year 1943, a contribution to a trust could not properly have been accrued in that taxable year.

On the basis of the aforesaid observations it is held that the employees' profit-sharing trust of the M company did not come into existence until Jan. 10, 1944, when the first valid payment was made thereto, and no deduction is allowable for the calendar year 1943.

The payment made on Jan. 10, 1944, intended as a contribution for 1943, may, however, be deductible in 1944 under the provisions of the first sentence of section 23(p)(1)(C) of the Code, or in a later year under the carry-over provisions of the third sentence of that subparagraph.

Morgan B. Brainard, president of the Aetna Life companies, was deluged with flowers and other gifts last week on his 67th birthday. One of the floral tributes was a basket of 67 red roses from the Aetna Life Men's and Girls' Clubs.

To Join in Farm Bureau Life

Lewis F. Allen of Bowling Green, Ky., president Kentucky Farm Bureau Federation, told the annual meeting in Louisville that directors have approved a plan to join a group of southern states in formation of the Southern Farm Bureau Life. It would be necessary for the Kentuckians to raise subscriptions for \$60,000 in preferred stock as part of the necessary capital of the new company.

The following text is a continuation of the previous page, likely a sidebar or continuation of an article. It discusses various topics such as road signs, Mahan, Wheeler, and legal aspects of insurance.

Insurers Favor Bill to Ward Off R. R. Receiverships

NEW YORK—Life companies owning railroad bonds would benefit substantially through enactment of a bill (S. 1253) now pending in Congress, which would make it possible for a railroad running into a lean earnings period to postpone or reduce its interest payments or extend its bond maturities without going through the long and costly process of bankruptcy or reorganization.

As explained by C. D. Mahaffie of the Interstate Commerce Commission legislative committee before the Senate I.C.C. committee, the measure would help forestall the deterioration in service and the layoffs of personnel that occur when a road finds itself in trouble because of having to meet the fixed charges on its debt. Also there is an unfavorable effect on the line's securities and credits. Mr. Mahaffie said that after intensive study the I.C.C. had decided that the bill, which was introduced by Chairman Wheeler of the Senate I.C.C. committee, would be in the public interest and would be to the benefit of the roads themselves and the bondholders involved.

What the Bill Provides

The bill provides that interest payments may be reduced or postponed or maturities extended on some or all of a road's bonds with the agreement of 75% of all bondholders or in some cases the consent of a majority of the individual classes of bonds involved. The railroad would have to apply to the I.C.C. which would then, after notice to bondholders, arrange for public hearings. If the I.C.C. decided that the proposal was within the scope of the statute, that it would be in the public interest, that it would be in the best interest of the carriers and the holders of each class of obligations affected and that it would not be adverse to the interests of other security holders or creditors, it would approve its submission to the holders of each class of security and if 75% approved the plan would go through.

Mr. Mahaffie pointed out that while there is a great deal more flexibility under most present bond issues, there are still many indentures outstanding under which the railroad has to live and it is to the advantage of both the carrier and the holder that modification be made. It is frequently impossible to modify indentures unless the mortgage is paid off or all holders consent. The Wheeler bill would have the advantage of freeing the roads from oppressive or out of date or expensive provisions which are no longer of benefit to anyone and which could be modified without paying off people who insist on being paid in full if any attempt is made to modify the obligation.

While the McLaughlin act reduced somewhat the expense and time needed for reorganization under section 77 of the bankruptcy act, Mr. Mahaffie pointed out that the Baltimore & Ohio reorganization which was under the McLaughlin act took two years and cost \$1½ million in fees. Avoidance of costly receiverships would benefit all concerned. Mr. Mahaffie pointed out that as of June 30, 1945, there were in receivership 76 railroads having a total of mileage operated of 50,581 miles and including such important roads as the Rock Island, Frisco, Milwaukee road, Missouri Pacific, New Haven, and Seaboard. One road, the Pittsburgh, Shawmut and Northern, has been in reorganization since 1905.

Of the indefinite continuance of receivership, Wheeler said, "the only reason I can see is that some receivers and lawyers want them to stay in bankruptcy so they can continue to draw down fees. Frankly I think it is getting to be a scandal."

As an important and frequently the largest holder of bonds, life companies

Return to Conn. Mutual Agency Division



Vincent B. Coffin, vice-president and L. Paul Ginter, William L. Camp, III and Arthur S. Potwin.

All of the men who were on leave of absence are now back, the last four returning on the same day. Messrs. Guibord, Walker, Reuber, and Potwin saw action overseas and the others were in various services in the United States.

during the depression of the 1930's had the major responsibility for working out these reorganizations. While railroads are now in good condition there is always the possibility that at some future time they will be in financial trouble.

Since a life company cannot move in, foreclose and operate a railroad as it would foreclose a hotel or apartment building, for example, it is to the company's advantage to have some means of easing a railroad debtor's fixed charges

Bankers of Iowa Shifts Managers

Robert J. Johnson, who has been manager of Bankers Life of Iowa in Columbus, O., for several years, has been named manager of the Washington, D. C., agency, which has been without a manager for several months.

Mr. Johnson was presented to the members of the Washington agency at a luncheon there Monday, at which M. E. Lewis, superintendent of agencies, presided.

He is succeeded in Columbus by Paul S. Rilett, who had been acting manager of the Detroit agency during the absence of Joseph V. Buck. Mr. Buck recently returned from service with the marines and resumed his former position as Detroit manager.

Lt. Col. A. Stanton Wilder, who served in the European theater with the first armored division, has been appointed district manager of Union Central Life at Brownsville, Tex. He is now at the home office for a refresher course.

with a minimum of expense and complications.



HERE'S YOUR PROSPECT

A typical young family man—eager to succeed—has a wife who is also looking forward to a future which guarantees their young children every opportunity

AND HERE'S HIS POLICY

A Prudential Modified Life 5, which provides him with a means of buying the permanent life insurance he needs right now at a price he can afford to pay. He can buy now because the premium rate for the first five years is one-half the premium rate payable thereafter.



Mrs. Joseph '45 Home Life Ace

Mrs. Lillian L. Joseph of the New York Joseph agency of Home Life of New York, was the leading producer of that company in 1945.

Mrs. Joseph will complete her 15th year with Home Life in February. Last year she qualified for the national quality award. She is a life member of the women's quarter million dollar round table.

She is a member of the women's executive committee of the National Association of Life Underwriters. She is on the educational committee of Women's City Club of New York, program chairman of League of Life Insurance Women, having last year completed two terms as president of that organization, and prominent in the New



Lillian L. Joseph

York League of Business & Professional Women.

Second leading producer for the year was H. C. Kenyon of Grand Rapids, followed by I. Benjamin of Paterson, H. P. Poeschel of Newark, and J. S. Chamberlain of New York-Evans.

Oshin & Huber No. 1 Agency

The leading agency was New York Oshin & Huber, which started from scratch Jan. 1, 1943, and led all agencies in 1944 as well as last year.

The Philadelphia Dent and Washington agencies of Home Life ranked second and third in production.

Make Sightseeing Plans for N.A.I.C. Convention

PORTLAND, ORE.—Commissioner Seth B. Thompson announces recreation plans for those attending the annual meeting of the National Association of Insurance Commissioners here June 9-13.

Following the business sessions the convention group to the number of 700 will be taken in a caravan of cars and buses around the Mt. Hood loop and to Columbia Gorge Hotel and to the Timberline Lodge on Mt. Hood.

OPPORTUNITY

At the present time we have several choice territories open for General Agency development. An extensive expansion program is under way and we offer any qualified man an unusual opportunity with a progressive, fast-growing, financially strong company, with a complete line of policy contracts. A few of the important territories now available are:

AGENCY OPENINGS

Hopkinsville, Ky.

Pensacola, Fla.

Paducah, Ky.

Jackson, Miss.

Clarksville, Tenn.

PROTECTIVE LIFE INSURANCE COMPANY

WILLIAM J. RUSHTON, President
BIRMINGHAM, ALABAMA



The COLUMBIAN NATIONAL LIFE INSURANCE Company

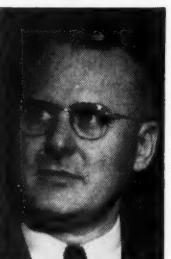
BOSTON, MASSACHUSETTS

SELLING WHOLESALE AND ALL FORMS
OF GROUP INSURANCE

—A NEW ENGLAND INSTITUTION—

New Fidelity Mutual Life Agency Vice-president

Calvin L. Pontius, the new agency vice-president of Fidelity Mutual Life has been with his company since 1935. He started as supervisor of agencies and two years ago was named manager of agencies. He was born at Fairview, Kan., and attended University of Minnesota. Then he sold investment securities and in 1924 entered the life insurance business with Canada Life at Indianapolis. In 1931 he went with Northwestern Mutual at Minneapolis as a supervisor and his next step was to Fidelity Mutual Life.



C. L. Pontius

Would Allow Life Insurers To Finance Mo. Housing

JEFFERSON CITY—A broadening of the investment laws of Missouri so as to enable participation by life companies in slum elimination and the rehabilitation of the blighted areas in cities through mass housing construction is provided in a series of bills recommended for passage by the senate insurance committee.

Appearing at the hearing in support of the measures were George L. Stemmle, St. Louis city counsellor, and three members of the legislative committee of the St. Louis Anti-Slum Commission, including the commission's chairman, Preston Estep, general counsel Transit Casualty of St. Louis; Powell B. McNamee, vice-president and general counsel of General American Life, and Allen May, president Mutual Savings Life, and Ray B. Lucas, general counsel of Kansas City Life, former Missouri superintendent.

Could Use 5% of Assets

The approved measure authorizes a life company to invest in housing projects up to 5% of its admitted assets. The other bills would enable them to own real estate for 10 years, with the superintendent of insurance having power to extend this period. The companies would be authorized to acquire real estate necessary for the improvement of blighted areas by the construction of multiple housing projects or to invest funds in urban redevelopment corporations.

Franklin Production Clubs' Officers Are Elected

Agency production club officers for 1946 have been elected in Franklin Life. The \$500,000-\$1,000,000 Club officers are: Jacob Dobrin, Washington, president; V. D. Wright, Florida, vice-president; H. F. Schoette, Indiana, secretary. The \$400,000 Club, Herman Watson, Alabama, president; D. L. Haney, Texas, vice-president; A. W. Warner, Texas, secretary; \$300,000 Club, Glenn Geers, Missouri, president; H. Grady Cooksey, Florida, vice-president; H. B. Grant, Colorado, secretary; \$200,000 Club, Saul Danziger, Texas, president; John Lark, Pennsylvania, vice-president; R. L. Gates, Louisiana, secretary; \$100,000 Club, W. E. Holt, Texas, president; W. B. McCrorey, Georgia, vice-president; Hung Lum Chung, Hawaii, secretary.

The officers are elected on the basis of net paid for production for the last year, the three top producers in each group being designated officials and receiving cash awards in addition to the free group insurance coverage ranging from \$2,000 to \$10,000 provided by the company for all representatives who qualify for the five clubs.

Medical Director Describes Moral, Insurance Hazards

Mortality risks have been shown definitely to be high where there is the factor of moral or insurance hazard, writes Dr. E. L. Mathias, associate medical director of Kansas City Life, in the company publication.

A follow-up of a fairly large group of declined cases made by one large company, for instance, indicates an approximate mortality of 190% of standard. This did not provide for the cases where the information that there was a moral or insurance hazard came several years later on a death claim.

In defining moral hazard, Dr. Mathias says his company takes into consideration the character, reputation, occupation, conduct, habits, associations and environment of the prospect. The company is dependent upon reports gathered in the neighborhood by the inspection companies, supplemented in the smaller towns by local reputations.

List of Hazards

Dr. Mathias says that under the heading of insurance hazards must go hazardous undertakings, suspected fraud, applications on lives of agents with other insurance companies, cases lacking insurable interest or definite need for insurance, those whose lives are threatened by enemies, housewives whose husbands carry no insurance although they are insurable, records of policies taken at frequent intervals but remaining in force for only one year, examinations made by other than logical examiners without sufficient reason, immediate application for additional coverage particularly for an amount larger than the one originally applied for, persons living in common law and the beneficiary of a fiance over a period of several years.

The axiom, "unusual cases give an unusual mortality," is a true one, Dr. Mathias emphasizes. The agent should appreciate this when one of his applications is rejected and understand that the cause of rejection cannot be disclosed to him for fear that it might get to the applicant.

Get Long Awaited Calhoun SS Report

WASHINGTON—The report of the House ways and means committee social security study group headed by Comm. Leonard Calhoun was scheduled for consideration by the first meeting of the committee of the new year, Jan. 17.

The committee is expected to hold hearings on social security legislation in the near future, possibly before February.

It is reported that one of the alternatives to be placed before the committee will call for elimination of all payroll taxes and the financing of a unified social security program covering all authorized benefits through general taxation.

There have been bills along this line introduced by Senator Downey, California, and others. Essentially, they are said to be more or less similar to the old Townsend plan.

Combination of the civil service retirement with social security is reported suggested by the House ways and means group.

The retired government employee would get two old-age benefits, one from social security and the other from civil service.

Workers transferring in and out of government service would always have social security protection.

Mortgage Men Hear Nelson

Norman H. Nelson, treasurer of Minnesota Mutual Life, addressed the annual meeting of the Minnesota Mortgage Bankers Association at Minneapolis Jan. 16 on "Mortgage Analysis and Methods."

Life Companies Report on 1945 Results

	New Bus. 1945	New Bus. 1944	1945 Inc. in Force	1944 Inc. in Force
Bankers Life, Nebraska.....	21,772,611	18,758,010	14,485,655	12,613,472
Berkshire Life.....	29,589,000	23,374,000	21,006,529	14,314,132
California-Western States Life.....	35,326,405	32,645,227	23,851,214	17,893,927
Columbian National Life.....	23,246,669	22,841,470	13,277,271	14,207,296
Continental American Life.....	18,658,359	15,397,852	12,283,510	9,233,509
Excelsior Life, Can.....	20,849,238	18,373,902	14,046,987	12,536,660
Great-West Life.....	12,779,773,112	15,855,683	87,087,456	82,209,784
Indianapolis Life.....	16,779,570	13,510,140	12,167,097	9,046,513
Lincoln National Life.....	365,427,014	318,543,444	262,469,191	237,268,582
London Life.....	128,337,628	116,783,039	98,491,509	80,094,437
Mutual Life of Canada.....	70,008,890	65,104,991	49,686,837	43,835,230
Ohio State Life.....	17,698,980	15,003,033	12,263,144	9,685,651
Ohio National Life.....	32,602,457	26,845,764	20,065,916	15,038,081
Provident Mutual Life.....	76,316,269	72,051,829	39,589,854	33,831,509
State Mutual Life.....	64,878,425	51,983,244	43,810,743	31,002,286

*Basis changed; 1944 reported above on same basis as 1945.

**Excludes renewals, bonus additions and annuities.

Compares Penn Mutual Death Record in 2 Wars

Evidence of the phenomenal advancement of medical science between the first war and the one just ended is found in the over-all war casualty records of Penn Mutual Life presented by John A. Stevenson, president, at the annual policyholders' meeting.

During the second war the company paid a total of \$5,668,344 in death claims on war casualties, representing 7% of all death claims paid during the period. In the first war such payments represented 11% of all death claims paid. Death claims in the second war resulting from disease were \$890,267 or 16% of the total war claims. The corresponding figure in the first war was 58% of the total.

Two-thirds of the combat deaths occurred in the European area and one-third in the Pacific. Of the total Penn Mutual war deaths, 55% were the direct result of combat, 20% the result of service-connected accidents or disease, 21% were non-service connected and 4% were civilian deaths attributable to war causes. Aviation deaths accounted for approximately 30% of the total.

The over-all war casualty death claim total in the recent war was proportionately less than 50% of the total paid in the influenza epidemics following the first war.

Civilian mortality during the war years was unusually low. Motor vehicle death claims dropped from a high of 132 lives and the payment of \$888,832 in 1934 to a low of 47 lives and the payment of \$192,682 in 1943. Since the end of wartime restrictions a definite increase has been noted in the number of motor vehicle casualties.

Ellis with Federal Life

W. P. Ellis, who has been in service three years, has been appointed district manager of Federal Life at Laredo, Tex. Before entering service he had been with Security Life & Accident.

SALESMAN WANTED

The National Underwriter Company wants a young man, not older than 30, to represent its business department in Chicago and throughout Illinois. Selling experience necessary and insurance background preferred. Salary and traveling expenses paid. Write Howard J. Burridge, President, The National Underwriter Company, 420 E. Fourth St., Cincinnati 2, Ohio.

National Life, Vt., Has Best Year in History

With a \$78,412,000 total, excluding annuities, National Life of Vermont had the best year in its 96 year history in 1945—with a 27% gain over 1944. Insurance-in-force jumped \$57½ millions to a total of \$740,588,698, which is also an all-time record in respect both to the amount of gain and total in force.

Interest of almost election-night intensity centered around the closing of the books to discover if National Life agents had made an all-time record. Vice-president Edward D. Field and D. Bobb Slattery, superintendent of agencies, dispatched congratulations by wire and letter to the 53 general agencies.

R. Clinton Meadows, Binghamton, N.Y., president of the General Agents Association, was field marshal in the campaign, the idea of a record breaking contest being suggested by Edgar T. Wells, New York City, dean of National Life's general agents. A strong contributing factor was the field enthusiasm for the National's long range agency program introduced through regional meetings and schools with the objective of developing a higher percentage of career underwriters.

Wells Captures First Place

The first six agencies in volume of new sales were: Edgar T. Wells, New York City; Truman H. Cummings agency, Cleveland; Wellman-Burroughs, Manchester; George M. Robinson & Son, Detroit; Harold Dillon, Atlanta, and Fred S. Bryan's Vermont agency, Montpelier.

New sales in December were \$8,148,585 as compared to \$6,308,439 in December, 1944, a gain of \$1,840,146 or 29.17%.

The gain of \$57,569,656 in insurance-in-force is compared with a gain of \$41,536,076 in 1944. The ratio of increase of insurance-in-force to new business was, in 1944, 67.46% while in 1945, it rose to 73.42%.

Marks Leads New England Mutual 3rd Year in Row

David Marks, Jr., New York, was New England Mutual leader again in 1945, his third consecutive year as top field man in the company.

Mr. Marks joined New England Mutual's Freid agency, New York, in 1942, and immediately became a company leader. He is a life and qualifying member of the Million Dollar Round Table, and holds the record for the largest volume of business ever produced by an agent of the company in one year.



David Marks, Jr.

A CALIFORNIA OPPORTUNITY

After World War I many men who had been stationed in California decided to make California their home. That much of history is repeating itself.

Since 1937, when we were appointed general agents at Los Angeles, production has increased over 300%. What's more important many men have thanked us for suggesting the life insurance business and backing them up with organized training.

The Mutual Benefit Life Insurance Company has given us additional responsibility as general agents at San Francisco.

We expect to employ four assistant managers there during the next six months, salary and commissions. We don't know but one way of selling life insurance. There are many ways. Our way works for us and our men. These assistant managers will be paid a small salary and commission. They must be young enough to be trained our way. We shall supply a policyholder clientele and prospects and the training. We think we have the right company, we have the capital, and after forty years combined experience we think we know what we are going to do. We have over one hundred millions on the books. You may be a returning service man who has what we want and we may have what you want. If you are under contract with any company please don't write to us unless you have talked with your general agent. Our associates know we are doing this advertising.

You may wonder why our Los Angeles men don't want these jobs. Well, they don't want to leave Los Angeles and they are making too much money. Excluding men over 65 years old, they averaged \$7,000 in 1945.

If you are interested in hard work and a good income, send photograph and full details with your first letter.

MURRELL BROTHERS, General Agents
T. G. Murrell, C.L.U.

W. L. Murrell

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

703 Market Street
San Francisco, Cal.

510 West 6th St.
Los Angeles, Cal.

EDITORIAL COMMENT

Mutualization of Life Companies

The recent announcement of Guardian Life of New York that it had completed its mutualization under a plan agreed upon in 1924 serves to call attention to the length of time that such a proceeding may be strung out when for one reason or another it is not possible to obtain every share of stock outstanding. The same situation applied to Prudential, which only a few years ago completed its final mutualization after years of operating on a mutual basis and owning, through trustees, all but a trifling amount of outstanding stock.

Mutualization is a process through which such New York companies as Metropolitan Life and Equitable Society have also gone. While the procedure prescribed in the New York law is relatively simple, there is no way of avoiding the possibility that there will be hold-outs among the stockholders. Fortunately, the law provides that once 95% of the stock is in the hands of the designated trustees the company is to all intents and purposes a mutual company. Thus, the Guardian has been, in all but name, a mutual company for 20 years.

In this connection, incidentally, it is interesting to recall that when the provision was inserted in the New York law requiring a mutual company to have the word in its name or else otherwise clearly designate its mutual character the aim was to put the public on notice. So outstanding has been the record of mutual companies, however, that probably rarely if ever does anyone, seeing the word "mutual" in a company's title, think of the reason why the law required it to be there.

Mutualization under the New York law requires the consent of a majority of stockholders, a majority of policyholders represented at a policyholders' meeting, a majority of the directors, and the superintendent of insurance. The superintendent directs the methods of

procedures for the policyholders meeting and appoints inspectors to certify to him the result of the vote. The price to be paid for the stock is fixed in the plan which the superintendent approves or if not stated in the plan his approval must be obtained for each payment.

Before the superintendent approves any plan for mutualization he must see that the company has enough surplus to be in good condition. This must be enough so that after paying for the stock the surplus will be more than is required for organizing a mutual company. For a company doing a life business only this is \$100,000. An additional \$100,000 is required if accident and health business is to be done, while an annuity or non-cancellable disability call for another \$50,000 each.

While initial requirements for starting a stock company are a minimum of \$300,000, which entitle it to write all the above classes of business, it is considerably easier to get a stock company under way in New York than it is to organize a mutual company. No mutual company has been organized in New York for many decades. Superintendent Dineen remarked on this at a joint hearing of the New York legislature's insurance committees and suggested that perhaps it might be that the requirements are too strict. However, it is understood that no amendments to ease the requirements are being considered for submission at the current legislative session.

The difficulty of starting a new mutual life insurance company is not only the minimum surplus requirement, to which is added an additional \$50,000 or so to cover initial non-recurring expenses in setting up the new company but the fact that the company must, in order to begin operation, have 1,000 applications on which at least one year's premiums have been paid in cash, the total of this cash amounting to at least \$25,000.

Progress Through Salary System

Companies adopting salary systems especially for new agents are undoubtedly taking a progressive step and yet the program should be carefully administered. Simply to pay salaries for getting business will not solve the problem of proper initiation of new men.

The salary plan has many factors to recommend it. It gives a newcomer certain independence in that he knows that he will have enough money on which to live. He need not bother his mind about that question. However, in order to make the salary plan successful

there must be a greater amount of selectivity at first. No company can expect to find efficiency and production by an indiscriminate use of salaries. There should be a reasonable salary basis, there should be strict requirements of work, there should be very careful, intelligent and effective training to get the salaried man in proper motion so that he will be successful.

The salary plan means more attention to beginners. A man must be trained and schooled until he really can become his own master. There are very few who

are capable of being their own bosses for some time. They need the guiding hand of a supervising authority. However, the salary plan is destined to take a greater part in compensation of life insurance men, especially those that are novitiates. We would say, therefore, that the success of the salary plan in compensating agents rests first on the ability to select good men, those that are capable and secondly the ability to train them effectively.

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PERSONAL SIDE OF THE BUSINESS

Harold J. Cummings, vice-president of Minnesota Mutual Life, has been elected a director of the First National Bank of St. Paul.

Joseph W. Ray of Travelers has been elected president of the Columbus, O., board of education. He has been a member of the board for a number of years.

Theo. P. Beasley, president of Republic National Life, has been selected to head a county-wide campaign to promote the building of a \$3 million courthouse in Dallas.

William H. Browder, general agent of Penn Mutual, has been elected vice-president of the sales executive council of the Nashville Chamber of Commerce.

L. F. Larson, general agent of Northwestern Mutual Life in Portland, Ore., is starting his 31st year as a general agent of that company. He was appointed general agent in western Missouri Jan. 1, 1916, and has been in Portland since 1927.

Walter G. Schelker, who has served with Equitable Society for 50 years, was honored at a luncheon at the home office tendered by the officers. President Parkinson presented him an inscribed watch, and he also was awarded the 50-year Veteran Legion button and certificate. He entered the home office as a stenographer after working with a publishing house, and served as secretary to the late William Alexander, vice-president; becoming assistant secretary in 1918, and vice-president in 1936.

M. Albert Linton, president of Provident Mutual Life, has been visiting San Francisco and Jan. 15 addressed the Kiwanis Club on national insurance and economic matters. He was presented to the club by E. T. Starbuck, general agent for the company in northern California.

Harold L. Bredberg, executive vice-president of National Service & Appraisal, Chicago, is passing out the smokes since the birth of his second daughter, Barbara, at Delnor hospital, St. Charles, Ill., last Sunday. The Bredberg's other daughter is Janet, two years old.

S. J. Hay, president of Great National Life, has been elected a director of the Dallas National Bank.

Rudolph Beck, who served on Leyte and in Manila, has returned to the life division of the Texas department at Austin as an examiner.

Ray Wiese, Chicago manager of Northwestern National Life, became a grandfather Tuesday when his son, Levering Wiese, and Mrs. Wiese became parents of a son born at Passavant hospital. The father is in the army and graduates from Northwestern University medical school in March. Thereafter he will be an interne at Evanston hospital.

Frank B. Falkstein, who led the agency force of Aetna Life for 1945 in paid business, was honored with a cock-

tail party by General Agent Elmer Abey and associates in San Antonio, with 250 of Mr. Falkstein's policyholders as guests.

DEATHS

Otto C. Rathmann, Sr., 68, for many years a special agent for the Stamm general agency of Northwestern Mutual Life before his retirement, died at his home in Milwaukee.

Arthur Griffin, 64, cashier in the Salt Lake City office of Mutual Life, died there from a heart ailment. He had been with Mutual Life in Salt Lake City since 1909.

Henry E. Kretschman, 63, superintendent of Prudential at Green Bay, Wis., before ill health forced his retirement in 1932, died at his home.

Arthur G. Christean, 34, Salt Lake City agent for California-Western States Life, was killed in an automobile accident. He had been discharged from the marines less than a year ago, returning to the Frank J. Mozley agency immediately on discharge.

Oscar F. Nelson, 65, associate general agent of Pacific Mutual Life, died in a Newton, Kan., hospital following a heart attack. He had been in the business 40 years and was associated with W. E. Moore, Wichita general agent.

Joseph M. Stephenson, 53, former president of Conservative Life, died in Chicago after a brain operation. Mr. Stephenson became treasurer of Conservative Life in 1918 and was president in 1925. He resigned as president in 1945 after the firm had been consolidated with Central Life of Illinois the previous year.

Bell to Speak in Detroit

H. S. Bell, Seattle general agent of Equitable of Iowa, will tell how he built an agency of a dozen producers, seven of whom are in the \$250,000 class or better, with an average production per man of \$350,410 in 1945, at a meeting of the Associated Life General Agents & Managers of Detroit Jan. 21.

State of Michigan Is Life Policy Beneficiary

LANSING, MICH.—The state of Michigan has received a \$1,000 death benefit check from Metropolitan Life as the result of a unique contract entered into by the late Frank Milar斯基 of Muskegon, who made the state his beneficiary after a dispute among his relatives over their rights to his insurance. The state, under terms of the policy, must pay some \$400 expenses for Milar斯基's funeral but retains the remainder for the general fund.

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SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Pacific Coast Manager. Miss A. V. Bowyer, Pacific Coast Editor.

ATLANTA 3, GA.—560 Trust Co. of Ga. Bldg., Tel. Walnut 5867. Ernest E. Hess, Resident Manager.

BOSTON 16, MASS.—94 Park Square Bldg., Tel. Hubbard 8696. Ralph E. Richman, Vice-President.

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DES MOINES 12, IOWA—333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

Editorial Assistant. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

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NEWS OF THE COMPANIES

National Fidelity Gains Are Made in 1945

Insurance in force of National Fidelity Life increased 11% in 1945, the total Dec. 31 having been \$40,854,253, increase \$4,121,304. New business increased 24.2%, assets rose 6.6% and surplus to policyholders rose 14.9%.

Surplus, including capital and reserves, amounted to \$679,920, increase \$67,907. During the year the company increased capital by \$100,000 through issuance of a 100% stock dividend and paid cash dividends of \$12,000.

Woody Sunset Companies' Executive Vice-president

Neil E. Woody, Seattle manager of Sunset Life and Sunset Casualty, has been promoted to executive vice-president of both companies. He has been acting as agency manager and vice-president since the death several months ago of John J. Moriarty.

He joined the company in 1939 as an agent and a year later was promoted to manager. Before entering insurance he spent 14 years in the investment business.

Tom Holman continues as president of the companies.

J. K. Luther and E. J. West Join Aetna Life's Agency Staff

HARTFORD—John K. Luther, an army veteran, and Edward J. West have been appointed agency assistants and home office training school instructors by Aetna Life. Mr. Luther was educated at the Wharton school of finance of the University of Pennsylvania and joined Aetna Life as a group representative in 1930. He was subsequently promoted to brokerage supervisor and later to agency supervisor at the William Street, New York, general agency. In 1939 he was appointed editor of the "Life Aetnaizer," a position he held until entering the army in 1944.

Mr. West, who has been assistant general agent at Tulsa, Okla., was connected with New York Life in Oklahoma City for 20 years before joining Aetna Life in 1943. He served as a director of the Tulsa Life Underwriters Association.

Read Appointed Attorney of Home Life, N. Y.

Frederick W. Read, Jr., has been named attorney by Home Life of New York. He is a graduate of Columbia University and its law school, and has practiced law with leading firms in New York city.

He was attorney handling contract negotiations for the French and British air commissions 1939-1941, then became a member of the legal staff of the Glenn L. Martin Co. at Baltimore. In 1942 Mr. Read was commissioned a lieutenant in naval reserve and served at the naval air operational training command station at Cocoa, Fla., where he was promoted to commander.

Form New Missouri Company

JEFFERSON CITY—Guardian National Life of St. Joseph, Mo., has been incorporated to do a general life insurance business. It will have 1,000 shares of \$25 par value stock and is to commence business with \$25,000 in common stock subscribed.

The incorporators are Ethel Conner, H. G. Wellman, F. M. Stapleton and N. A. Townes all of Kirksville; Charles B. Steele, St. Joseph; James A. Coder, Lewiston, and Fred Wolter, Edina. They will constitute the first board of directors.

Edward L. Scheufler, former Missouri superintendent, now practicing law at

Kansas City, served as attorney in connection with incorporation.

Kennedy Assistant Secretary

H. H. Kennedy has been appointed assistant secretary of Volunteer State Life. He served five years in the army. Prior to war service he had valuable experience in home and branch offices. He became connected with Volunteer State in 1922 in the secretary's department. He next was shifted to the actuarial branch and then returned to the secretary's office in 1938, being made agency auditor.

Bacon Rejoins Occidental

W. D. Bacon has returned from service to Occidental Life's field training department, where he will work with Lester S. Roscoe, director of training.

Mr. Bacon, who has had nearly 10 years experience in insurance, has been a lieutenant in the navy.

Oakes on Bankers Legal Staff

Barry L. Oakes has been appointed to the legal staff of Bankers Life of Iowa.

Mr. Oakes has just returned from two years' service in the navy as a lieutenant, where he was commander of a gun crew on an ammunition ship. He is a graduate of the University of Texas and studied law at Drake University, the University of California and Des Moines College of Law. Prior to his naval service he spent a year and a half with the FBI.

Capital of Old American Life, organized last fall at Seattle, has been increased by \$50,000 to \$200,000.

SALES MEETS

American Mutual Life General Agents Confer

Thirty-two general agents of American Mutual Life attended a three-day meeting at Des Moines. Department heads and home office officials took part in the sessions. H. S. McConachie, vice-president and superintendent of agents, presided.

Awards for 1945 production were presented at the banquet, at which Arthur Brayton of the Des Moines Chamber of Commerce was the principal speaker.

Threlkeld Leading Producer

R. M. Threlkeld, Sr., Cedar Rapids, is president of the Production Club for having the highest production of any agent last year. A. B. Fogarty of Des Moines, second highest producer, is vice-president.

Mr. McConachie announced that last year's production was the largest in the company's history with volume of business 23% greater than in 1944.

Country Life Sales Meet to Be at Peoria Feb. 1 & 2

The annual sales meeting of Country Life will be held at the Pere Marquette hotel, Peoria, Feb. 1-2. Approximately 500 people are expected at the meeting, which was not held last year because of convention restrictions, celebrating the accomplishment of \$250 million in force as of Jan. 1.

Included among the speakers are: D. C. Mieher, manager Country Life; Newell C. Day, general agent at Davenport for Equitable of Iowa; Earl C. Smith, former president of the Illinois Agricultural Association; Bowman Doss, assistant secretary Farm Bureau Life; O. D. Brissenden, director of organization for I.A.A.; Dirk E. Heezen, actuary of Country Life; Matt Weber, William Linker, Duane Genre and Wil-

ber R. Gibbs, general agents of I.A.A. companies.

165 to Attend Bankers Life Course

Bankers Life of Iowa has announced that 165 agents are now qualified to attend the company victory school to be conducted the latter part of April.

Tollefson Agency Meeting

N. Murray Longworth, chief underwriter of the United Benefit Life and Mutual Benefit Health & Accident, spoke at an agency meeting of the C. T. Tollefson agency of those companies in Fargo, N. D. Other speakers were O. Arthur Feland of Grand Forks and William L. High of Fargo. Mr. Tollefson presented awards to salesmen for 1945 production.

Equitable Coast Parley

The western department of Equitable Society, comprising the coast states, will hold a managerial conference at Coronado, Calif., Feb. 11-13.

All managers and general agents, assistants and district managers in that territory will attend. It is expected that 10 home office executives will be present.

MANAGERS

Jaqua to Address Chicago Managers Feb. 5

A. R. Jaqua, formerly associate manager of the Diamond Life Bulletins, published by THE NATIONAL UNDERWRITER, and now director of the life insurance marketing course at Purdue University, Lafayette, Ind., will address the Life Agency Managers of Chicago at a luncheon meeting Feb. 5. Mr. Jaqua will tell about the Purdue course, which he helped to organize.

Detroit Cashiers' New Secretary

Miss Alice M. Stearns, for 40 years cashier of Berkshire Life, Detroit, has been named secretary of the Detroit-Windsor Life Agency Cashiers Association to succeed Miss Lenetta Kliese, Connecticut Mutual, resigned.

C. of C. Man Houston Speaker

Col. Marvin Hurley, secretary of Houston Chamber of Commerce, addressed the meeting of the Houston General Agents & Managers Association, Wednesday.

65 YEARS OF SERVICE

Each new year brings improvements in the service offered by the Minnesota Mutual Life Insurance Company.

Developed through years of experience and through far-sighted analysis of post-war insurance trends is our Organized Selling Plan—the program that makes selling effort pay off with maximum results.

WE ALSO OFFER:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for agents.
6. A unique supervisory system.
7. Unusually effective selling equipment.
8. Policies for every purpose: Regular—Family—Juvenile—Women—Group Payroll Savings—Social Security, etc.
9. Low monthly premiums.



The MINNESOTA MUTUAL
LIFE INSURANCE COMPANY

ST. PAUL (1), MINNESOTA

LIFE AGENCY CHANGES

Wilkins Prudential Hartford Manager

Robert E. Wilkins, former lieutenant commander in the navy, has been named manager of the new Hartford ordinary agency of Prudential. He will supervise all of Connecticut, excepting New London county with headquarters in the Palace building.

Mr. Wilkins served as air combat intelligence officer in the Solomons and on the carrier Randolph.

He is a graduate of Colby College and has been with Prudential since 1929 and with the ordinary agencies since 1933. In 1941 he joined the downtown agency in New York, until called to active duty.

G. F. Sterns Berkshire Life General Agent for Iowa

Berkshire Life has appointed G. F. Sterns general agent for Iowa. He succeeds Arthur H. Peterson, who died last June.

Mr. Sterns was with Union Central Life for seven years, in Sioux City, Ia., where he was a quarter-million producer; in San Francisco and in Oakland, Cal., in charge of the district office there.

He has just completed four years' naval service in Washington, D. C.

Equitable, N. Y., Has Field Changes

Walker B. Farr has been appointed associate agency manager of the Indiana agency of Equitable Society with headquarters in Indianapolis. He formerly was district manager at South Bend and has been connected with the company since early in 1932. Mr. Farr specializes in business insurance and pension trusts, is a member of the Group Millionaires Club and was selected by the Old Guard as its honor agent for 1945.

Mr. Farr has been succeeded in South Bend by J. Alvin Taylor, who has been an agent for Equitable there since 1944.

A number of other changes in the field have been made. At Aurora, Ill., a new district agency has been created with Lester R. Loftus as district manager associated with the H. E. Kerber agency of Elgin, Ill. Mr. Loftus has been an Equitable agent since 1941.

Arden D. Wolf has been appointed district manager in Grand Island, Neb., where a new district has been created. He reports through the Lee Wandling agency of Omaha. Mr. Wolf is a war veteran who has just returned from service and formerly was an agent in his city for Equitable.

John Diestel has been appointed manager of a new district at Fremont, Neb. He has been with the company for two

years.

A. J. Rawlings, a major in the army, has returned to Lawton, Okla., and has been appointed district manager there, a post which he held before he went to war in 1942. Major Rawlings has been connected with the company since 1921.

Another Oklahoma district manager appointment is that of Major Walter W. Weber, who has returned to Muskogee as district manager, a position which he held before the war. He went with the company early in 1929 and went into the army in February, 1943. Major Weber succeeds James D. Booth, district manager at Muskogee, who has carried on with the work in Major Weber's absence.

At Austin, Minn., Raymond M. Jensen, formerly an agent of New York Life, has been appointed district manager, reporting through the C. W. Streeter agency of St. Paul. He succeeds Walter Barco of Austin, who has decided to devote himself to personal production.

Humphrey Aetna Providence Head

The retirement of Freeman W. Crowther as general agent for Aetna Life at Providence and the appointment of H. Horton Humphrey to succeed him is announced.

Mr. Crowther was educated at Springfield, Mass., and played professional baseball with the Hartford and Springfield clubs for four years. He joined Aetna Life as an agency auditor in 1916, and became an agent in Pittsburgh in 1925. He was appointed general agent at Providence in 1928. He has served several terms as a director of the Rhode Island Life Underwriters Association.

Mr. Humphrey has been a supervisor at Baltimore. He was born at Saratoga Springs, N. Y., and graduated at Williams College in 1926. He entered insurance in 1935 and served as assistant manager for New England of Travelers. He joined Aetna Life in 1942, as supervisor at Baltimore.

A luncheon in honor of Mr. Humphrey will be held Jan. 24 at Providence and R. B. Coolidge, agency vice-president, will introduce Mr. Humphrey.

Spiker to Cincinnati for N. Y. Life; Browning to Buffalo; Stanford, Brooklyn

Lt. William A. Spiker has been released by the navy and has been appointed a general manager at Cincinnati by New York Life, succeeding Charles C. Browning, who becomes agency manager at Buffalo. Mr. Browning succeeds Verne Stanford, who goes to Brooklyn as agency manager, succeeding the late Walter Andersen.

Mr. Spiker was agency organizer for New York Life at Detroit before going into the navy as a lieutenant (j.g.) in April, 1944. He was formerly resident manager at New York City for THE NATIONAL UNDERWRITER. He entered the life insurance business in 1938 with Penn Mutual and later the same year went with New York Life.

Mr. Browning, a native of Illinois, was educated at Western Military Academy and Northwestern University, joining New York Life in 1927. He served in Pittsburgh as district inspector, agent, and agency organizer, becoming agency manager in Cincinnati Nov. 1, 1944.

Mr. Stanford joined New York Life in 1933 as an agent in Cleveland. He be-

came agency organizer there in 1940. In January, 1942, he went to Binghamton, N. Y., as agency manager and was transferred to Buffalo in the same capacity on Aug. 1, 1944.

Moore, Back from War, at Seattle for Union Central

Donovan F. Moore, on leave with the army since September, 1943, has returned to his post as general agent at Seattle for Union Central. Russell Brooks, who served as acting manager, becomes associate general agent.

Mr. Moore was a corporal with the 63rd infantry division of the 7th army. Mrs. Moore worked as group captain of a Red Cross clubmobile unit serving with the 3rd army.

Mr. Moore took part in the battles of northern France, Rhineland, and central Europe. He was awarded three battle stars and the combat infantry badge.

Mrs. Moore also served in the European theater and they were able to have various reunions in Europe.

Mr. Moore was appointed manager at Seattle in 1940, after six years with Penn Mutual.

During 1945, in addition to operating the agency, he paid for more than \$500,000 of personal business and ranked 14th among all agents for the year.



D. F. Moore

Carey Returns as General Agent; Watson Retires

Emerson Carey, Jr., has returned to Denver as general agent for John Hancock. William E. Watson, general agent at Denver for the past three years, has resigned due to ill-health.

Mr. Carey opened the general agency at Denver in 1939 after being associated



EMERSON CAREY, JR.

with John Hancock at Hutchinson, Kan., for two years. In 1938 he led all John Hancock agents in the country in production of ordinary and qualified for the Million Dollar Round Table. A graduate of Cornell with the degree of LL.B., he coached football at that university for two seasons before entering business.

South Retires; 33 Years with Life & Casualty

J. C. South has retired as district manager at Jackson, Tenn., after 33 years with Life & Casualty. He has been suc-

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Another First!**

**The first major company to
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new Commissioners' table
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Mutual Benefit Life Insurance Co.

Newark, New Jersey



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ceeded by A. B. Abernathy, special agent in the Mississippi Valley division, who has been with the company for 20 years.

Mr. South joined the company in Memphis in 1912 and worked in that district as agent, special agent, assistant superintendent and claim inspector until he became manager at Jackson, Miss.

Wallace Life Manager for Cramsie, Laadt & Co.

Theodore I. Wallace has been named Life agency manager for Cramsie, Laadt & Co., general agents in Chicago for Northwestern National Life. Mr. Wallace has been agency assistant in the Marquis Bowmen's Agency of Bankers Life of Iowa, Chicago, where he several times won the distinction of being the outstanding producer for the company in its monthly sales contests.

All of Mr. Wallace's experience has been in Chicago and he is a life member of the Illinois Round Table. Supplementing his sales background, Mr. Wallace studied law at the Universities of Alabama and Iowa.

Three Veterans Return

Maj. Charles Stettler, who served as a statistical officer in the army air forces in Italy; Robert A. Brown, Jr., lieutenant in the navy, a son of R. A. Brown, millionaire producer of Pacific Mutual Life, and Jack O'Neill, navy lieutenant, formerly with the agency department of California-Western States Life in Sacramento, have joined the estate planning department of Scott & Co. in Los Angeles.

Bragg Oregon General Agent

Clayton R. Bragg has been appointed general agent of Monarch Life for Oregon, with offices in Portland. He has been with the company since 1933, starting as an agent in Rochester, N. Y. For the past two years he has served as an instructor in the company's eastern school.

Walton Fresno Supervisor

Leonard E. Walton, a former lieutenant commander in the navy, has been appointed field supervisor in the Fresno branch office of Occidental Life. He will assist Ellsworth Hobler, Fresno manager. He was an agent of Metropolitan Life for six years before entering the navy.

Fairchild to Jefferson Standard

Myron L. Fairchild, well known life agent of San Francisco and one time general agent there for Connecticut General Life, has been appointed general agent by Jefferson Standard Life. The latter company has been in the office

A REAL OPPORTUNITY

A long established eastern life insurance company, writing both ordinary and industrial, offers a real opportunity to an executive trained man. The position open requires a man who has had experience in management and important executive work. The salary will be commensurate with the responsibilities of the position. State age, educational and business background. Address: "A. B. C. c/o The National Underwriter, 175 West Jackson Boulevard, Chicago 4, Illinois."

of Edward Brown & Sons, general agents for a number of fire companies and recently appointed in the same capacity for Crown Life of Canada for California. Formerly the agency represented Jefferson Standard for only northern California. Mr. Fairchild handled the life department for the Brown office.

Returns to Toledo Post

Robert S. Thompson, back from 2½ years in the navy as a lieutenant, has resumed his post as assistant manager of Metropolitan Life in Toledo.

Tomlinson La. Manager

Business Men's Assurance has appointed T. J. Tomlinson as district manager for Louisiana, in the 809 Ardis building, Shreveport.

Mr. Tomlinson has been a leading B.M.A. producer 20 years.

Peterman, Bready Are Managers

Gordon H. Peterman has returned as manager of the Annapolis, Md., district of Baltimore Life. He has been in the armed forces since July, 1942. Curtis L. Bready has been named manager of the York, Pa., district. He was employed by the company as agent in Williamsport, Pa., in 1938 and in 1941 was promoted to staff superintendent.

Curry San Antonio Supervisor

Walter W. Curry has been appointed agency supervisor of the San Antonio general agency of John Hancock Mutual Life, associated with G. A. Davenport, general agent. Mr. Curry has been connected with the agency since 1939.

Sutton Uniontown Head

William I. Sutton was installed as unit manager of the Woods agency of Equitable Society, in the Fayette Title & Trust building, Uniontown, Pa., at a dinner. Announcement was made by Agency Manager Lawrence C. Woods, Jr. Also present were Wallace D. Guthrie, unit manager at Indiana, Pa., and Walter A. Fortune, Uniontown, field assistant.

Mr. Sutton went with the Woods agency after his graduation from Pennsylvania State College. He was in the group department.

He was released from the navy, where he served as lieutenant 4½ years. He was in command of a submarine chaser in the Atlantic and was executive officer of a destroyer escort in the Pacific.

Boisaubin Brokerage Head

Eugene V. Boisaubin has been named brokerage manager of the home office agency of General American Life. Lt. Boisaubin just returned after serving nearly four years in the navy. He entered the business as a personal producer in 1939. He is a graduate of St. Louis University law school.

George J. Pflanz, III, will become associated with his father, George Pflanz, Jr., in the Union Central Life agency at Des Moines. The son recently received his discharge after 46 months in the army.

Acacia Mutual Gives 15% Pay Boost to Employees

WASHINGTON — Reporting the "greatest year of progress" in history, President William Montgomery has announced that all Acacia Mutual Life employees will receive an increase in pay amounting generally to about 15%.

The announcement was made at the annual dinner attended by more than 500.

He pointed to new records established last year in every phase of Acacia's business. Assets rose to \$145 million, an increase of \$15 million for the year. Insurance in force reached \$648 million, up \$69 million. New insurance placed in 1945 amounted to \$93 million, another all-time high.

AS SEEN FROM CHICAGO

CHICAGO WOMEN MEET FEB. 7

The Women's division of the Chicago Association of Life Underwriters will hold a meeting Feb. 7, the program for which is being arranged by Harriett L. Krause of New York Life.

DETECTIVE CLAIM ASSN. SPEAKER

Lt. Phillip H. Breitzke, chief of the homicide bureau of the Chicago police department, was the speaker at a meeting of the Chicago Claim Association last week. Mr. Breitzke, who is a detective, gave an interesting talk on four of the major cases he has handled, emphasizing that police work is not run on a Dick Tracy basis.

He said that Chicago is probably the safest of the large cities crimewise, and that although there may be a crime wave in the country the proportionate rise in other cities has been greater than Chicago's.

G. T. Delahunt, Alliance Life, president, was in charge.

STORY OF LIFE INSURANCE

Miss Lillian French Read of New York Life, director of the Chicago Association of Life Underwriters, is visiting

the Chicago high schools endeavoring to get "The Story of Life Insurance" by Holgar J. Johnson, president of the Institute of Life Insurance, installed as a regular textbook, especially in classes in economics. The schools have had the "Life Insurance Manual," which is found to be a little too advanced for the average pupil. The "Story of Life Insurance" is more elemental and deals with fundamental subjects that pupils can understand. H. Kennedy Nickell, Connecticut General Life, president of the Chicago association, has visited some of the schools, assisting Miss Read in her work.

GUERTIN TO ADDRESS GROUP MEN

A. N. Guertin, actuary of the American Life Convention, will address the Group Supervisors Division of the Chicago Association of Life Underwriters at a luncheon meeting Feb. 4. George Baldwin, Equitable Society, will preside.

HONOR AUBIN AT LUNCHEON

A luncheon was held in Chicago for Philip T. Aubin, celebrating his 25th anniversary in the life insurance business. It was given by George D. Covell, man-

Fifty-second Year of Dependable Service



THE STATE LIFE of Indiana is a purely mutual, old-line, legal reserve Company in its fifty-second year of dependable service. . . . Has paid over \$150,000,000 to policyholders and beneficiaries, and in addition holds assets of over \$62,000,000 for their benefit. . . . Issues a wide range of policies from ages one day to sixty-five years, including Juvenile, Educational Fund, Family Income, Salary Continuance, Retirement Income, and other up-to-date forms. . . . Agency opportunities with complete training and service facilities for those qualified.



THE STATE LIFE INSURANCE COMPANY Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

ager of the Connecticut General Life agency of which Mr. Aubin is a member.

Among the guests present were Fraser Wilson, insurance manager for United Air Lines, and Bernard Davidson, vice-president Rollins, Burdick, Hunter.

Mr. Aubin has been company leading producer five times and president of the company's President's Club twice.

Maj. Stephen H. Howbert has returned to the Wichita office of New York Life following five years with the army air corps. He was with New York Life 1½ years before entering the service.



You Can Plan Today For Your Production and Home of Tomorrow

through a

RENEWAL COMMISSION LOAN

Money for...

- PRODUCTION
- WORKING CAPITAL
- CUSTOMERS' NOTES AND ACCOUNTS
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- HOMES, ETC.

OUR BUSINESS is loaning you money in substantial amounts . . . the one source in the U.S. that specializes and really understands your needs.

A renewal loan of \$4,500 costs you only 11 cents per day per thousand dollars.

A unique plan developed by us in cooperation with the Northwestern National Bank of Minneapolis.

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CREDIT CORPORATION**
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ASSOCIATIONS

Talk More Life, Less Insurance, Connell Advises

PORTLAND, ORE.—"Let's talk more life and less insurance" was the theme of Clancy D. Connell, N.A.L.U. president to the Life Underwriters Association of Portland.

He said it was important to place less emphasis on the technical aspects of insurance, bringing home instead the important idea of what insurance does to improve the lives of people; its effect on the whole financial and economic structure of the nation; its future, as the result of individual saving and foresight.

Mr. Connell stressed that the concept of public service should be emphasized and said the present interest in service to veterans offers a timely example.

R. Elmo Shannahan, Portland association president, presided and introduced Mr. Connell, whose topic was, "The Fruits of Life Insurance."

Wash. Round Table Meets

The annual meeting and banquet of the Washington Quarter Million Round Table was held in Seattle. W. C. Schuppel, president of Oregon Mutual Life, spoke on "Leadership, Its Rewards and Responsibility."

San Angelo, Tex.—R. William Archer, Southwestern Life, Dallas, said the institution of life insurance and the company are hurt when the agent fails to build proper relations with the public. All the new gadgets soon will be on the market for their share of the consumer dollar. Life men who overlook their opportunity to build good will may suffer in such a competitive market.

President L. H. Stephens announced a paid membership of 60.

St. Louis.—Kits containing information and reinstatement and conversion blanks on National Service Life were distributed to nearly 500 attending the veterans' seminar. Irvin Barker, Ralph E. Johnston, William Kleffer and William King discussed insurance problems and representatives of the Veterans' Administration talked on G. I. bill of rights provisions.

Los Angeles.—Clancy D. Connell, president of N.A.L.U., spoke Jan. 17 on "The Fruits of Life Insurance."

E. A. Ellis, general agent of Pacific Mutual Life, has been appointed program chairman for the sales congress April 10.

Lansing, Mich.—A veterans' seminar is being held Jan. 18 with R. Howard Mate serving as chairman. Harold C. Brogan, secretary Michigan association, Edward P. Magee and C. B. Carman are among the speakers.

St. Paul.—Hampton H. Irwin, educational director of Massachusetts Mutual Life, addressed the January meeting.

Toronto.—M. W. Sparling, North American Life, has been elected president.

Detroit.—H. S. Bell, general agent for Equitable of Iowa in Seattle, will speak Jan. 22 on "The Rainbow of Success."

Des Moines.—Keith S. Smith, Kankakee, Ill., district agent of John Hancock, will speak Jan. 18.

Columbus, O.—William B. Hoyer, John Hancock, recently released from service, will speak Friday, on National Service Life Insurance.

Cincinnati.—J. H. Jamison, general agent Northwestern Mutual, Chicago, speaks Friday on "Panning for Gold."

Charlotte, N. C.—James Comer, district manager of Jefferson Standard Life, Gastonia, N. C., spoke on "Business Insurance."

Montreal, Can.—Edwin C. McDonald of Ottawa, vice-president of Metropolitan Life, addressed the Montreal Association Wednesday.

Kansas City.—At a meeting of the women's division on Monday a question and answer open forum was held.

The Spokane, Wash., C.L.U. chapter has elected Paul Stone, Mutual Benefit Life, president; Bernard J. Lenoue, Oregon Mutual Life, vice-president, and Edwin M. Wolfe, Prudential, secretary.

GENERAL AGENCY NEWS

Earls Is Welcomed Back in Cincinnati

William T. Earls, Cincinnati general agent of Connecticut Mutual Life, was welcomed back to civilian life at a cocktail party and reception at the agency offices. Mr. Earls was in the navy nearly four years, attaining the rank of lieutenant commander. He entered business in 1931 and is a qualified life member of the Million Dollar Round Table.

The Earls agency also has offices in Hamilton and Middletown, serving southwestern Ohio and northern Kentucky.

Three other agency members who had war service were also guests. They were Robert H. Tuley, Dean Chenault and Gerald Ishphording. After completing several years assignment with the Red Cross, Mr. Ishphording served as agency manager of the Earls agency prior to the return home of the peace-time head of the agency.



W. T. Earls

tired general agent, who had been with the company 50 years and P. R. Poulsen, an agent who has been with the company 40 years.

Mr. Brock has entered the local agency field at Bakersfield, Cal.

Steacy Webster Agency Holds Annual Parley

The Pittsburgh agency of Provident Mutual Life held its annual meeting and banquet, with wives attending the latter.

General Agent Steacy E. Webster outlined plans for 1946 and announced a contest, the winners of which will be entitled to attend a meeting at the home office.

Five recruits recounted their backgrounds, their war services and their reasons for joining Provident Mutual.

William E. Creery, assistant insurance supervisor, summarized the progress in 1945 and discussed current underwriting practices. Fred H. Williams, sales manager, presented the case for juvenile insurance.

Advertising Manager Nelson A. White put on a clinic and sales demonstration put on a clinic and sales demonstration on the "Chart for Living."

Mr. Webster served as toastmaster for the banquet and paid tribute to Mrs. Aimee R. Wilson for leading all the women agents. He brought greetings from William H. Goehring, who is vacationing in Florida, who was the 1945 production leader.



S. E. Webster

ARE YOU neglecting your policyholders? By sending them the **Insurance Buyers' Digest** each month they'll know you are on the job, ready to serve. Write the National Underwriter for samples.

MUTUAL TRUST LIFE INSURANCE COMPANY

HOME OFFICE
CHICAGO

FIELD BUILDING
ILLINOIS



"As Faithful as Old Faithful"

NO CHANGE IN RATES, DIVIDENDS OR LOW NET COST SINCE 1937

A GENERAL AGENCY COMPANY

The States in Which It Operates Indicate Its Character:

West

- Illinois
- Indiana
- Iowa
- Michigan
- Minnesota
- North Dakota
- Ohio
- Washington
- Wisconsin

East

- Connecticut
- Maine
- Massachusetts
- New Hampshire
- New Jersey
- New York
- Pennsylvania
- Rhode Island
- Vermont

MEN WHO BELIEVE THEY HAVE GENERAL OR DISTRICT AGENCY QUALIFICATIONS MAY OBTAIN FULL PARTICULARS BY ADDRESSING THE AGENCY DEPARTMENT

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Honor Contest Winners

A dinner honoring Robert B. Fraser and Douglas Whiteside, who finished third and fourth, respectively, in a national contest held by Penn Mutual, was held by the Buffalo agency. Frank O. Donaldson, assistant to the vice-president, spoke. Allan W. Carpenter, general agent, announced that the Buffalo agency in 1945 exceeded 1944 production by more than 25%.

Laffer Has Training School

Henry W. Laffer, Wichita general agent of the Northwestern Mutual Life, held a week's training school for new agents in connection with the agency's participation in the "on the job training program" under the G.I. bill.

ACCIDENT**Resume Chicago Luncheons**

The monthly luncheon forums that were held a number of years ago for Chicago accident and health company men have been resumed under the direction of Harold R. Gordon, managing director of Health & Accident Underwriters Conference. Such a gathering was held at the La Salle hotel Wednesday of this week, the topic being franchise insurance.

Blue Cross Scale Revised

The Plan for Hospital Care, Chicago Blue Cross organization, has revised its schedule of charges and has removed certain restrictions in its coverage.

Heretofore, the charge for an individual member has been 80c a month and it was \$1.50 for a member and one dependent or for a female alone with maternity benefits. For more than one dependent the entire premium was \$2 a month. For individual male the cost remains at 80 cents but there is now only one price for family coverage, regardless of how many dependents are covered. That charge is \$2 a month. The cost is also \$2 for a single female with maternity benefits after the policy is in force nine months.

Among the restrictions removed are those on communicable and mental diseases.

Travelers Liberalizes Plan

Travelers is now issuing hospital expense insurance in its group department, for as few as 25 insured employees provided that there is as companion coverage either accident and sickness or wholesale. Heretofore, the minimum with Travelers has been 50 insured employees.

Also Travelers has reduced the dependent hospital rates to 32c per month per \$1 of daily hospital expense benefit and the cost for dependent surgical schedule, including maternity, has been reduced to \$1.70.

C. L. U.**Chicago Chapter Holds Party**

The Chicago C.L.U. chapter annual party which was held Wednesday night at the Chicago Yacht Club brought together two life men whose talents in the past have produced a number of sparkling skits relating to life insurance. These are Walter N. Hiller, Stumes & Loeb agency of Penn Mutual, and Harry G. Walter, agency manager Northwestern National Life. They provided much of the entertainment at the dinner meeting by putting on one of the original presentations in which they play the leading parts.

There was a social hour before dinner. George H. Gruendel, agency assistant Fowler agency, New England Mu-

tual, presided as chapter president and introduced leaders of the other life organizations in Chicago who were guests.

Start New Chicago Class

A new C.L.U. review course on section A, life insurance fundamentals and economics, directed by Sol Sackheim of Great-West Life, was started Jan. 16 in Chicago. It is limited to 25 attendance. Classes will be held from 4:30 to 6 p.m. each Wednesday. This class supplements a class on the same subject which has been held at the same time Tuesdays. In addition there is a class on section C, small trusts and taxes, which meets each Thursday afternoon. All classes are held in the auditorium of the Equitable Society building. Tuition fee for the class is \$20.

Urge Scientific Research

CINCINNATI—Warning that the nation is deliberately traveling the road to economic suicide with its policy of inducing scientists into military service regardless of the imperative need for scientific research, Dr. W. E. Wickenen, president Case School of Applied Science, told Cincinnati C.L.U. chapter that economic security is dependent on continued scientific and technological preeminence. It will not be until 1956 that the number of physicists is equal to what it was before the war, he declared.

Wealth in the future will be found in the laboratories of economic research. Through scientific achievement, there is a 4% gain annually in the work one man can produce in one hour. The demands of labor for a 30% wage increase, he said, amount to a 10 year payoff on scientific and technological progress.

RECORDS

Occidental Life.—Reports \$16,259,271 of ordinary written in December, less than \$50,000 under the company's record-breaking month of October. Ordinary business written in 1945 totaled \$159,090,282, a gain of more than \$28 million over 1944, for the biggest year in its history.

Franklin Life.—December showed a 121.2% increase over the same month in 1944. The year 1945, was the greatest in history.

Berkshire Life.—Paid life business for December increased 17% over December, 1944. The 1945 gain in paid life business was 27%. The company has had 34 consecutive months of increased production over the corresponding months of previous years.

San Antonio Group Sees "C.L.U. Class in Action"

A "Typical C. L. U. Class in Action" was presented at a luncheon meeting of the San Antonio Association of Life Underwriters by Henry Coutret, Ohio National Life, who has served as instructor for the group under the sponsorship of Trinity University. The class now has 23 members.

Mr. Coutret said busy life insurance salesmen are willing to devote from three to eight hours per week to this work because the desire for more knowledge which will make them truly professional workers, the increased prestige which comes from a professional designation, and an increased income. He cited the fact that personal producers who took the C. L. U. course increased their average earnings from \$4,338 to \$7,569; general agents and managers, from \$5,640 to \$10,900.

Questions taken up in the course concerning the types of life insurance, the relation of protection and investment elements in ordinary or whole life and endowment forms, the mortality table and the social security act were reviewed.

Byron S. Griffith, Galveston manager of American National and a million dollar producer, told of his methods. He leaves home before 9 a.m. and goes directly to see a prospect. He does not

reach his office before 11:30, spending the entire morning in interviewing prospects. He said the entire interview should be clearly planned and carried through and that when the salesman goes to the office his thoughts will be diverted from his plan and his thoughts may become confused. He works on the two-interview plan, the first a picture taking interview and the second a sales presentation.

He emphasized the skillful asking of questions which will cause the prospect to talk. It is essential to know the type of investments a man makes and why he makes them. He told of calling on a man who had \$1,000 life insurance. When he asked this man how much money he had when he bought the business he was operating, the reply was 60 cents. This prospect, in five years, had built a business which gave him an income of \$30,000. Mr. Griffith said that man now owns \$65,000 of life insurance.

Walter W. Curry, who has been with the G. A. Davenport agency of John Hancock Mutual Life in San Antonio, as a personal producer since 1939, has been appointed agency supervisor. The agency covers southwest Texas.

Iowa Supreme Court Rules Lutheran Mutual Can Move

Lutheran Mutual Life of Waverly, Iowa, can transfer its agency and investment departments to Des Moines, the Iowa supreme court ruled. A group of policyholders had opposed the transfer and had appealed a lower court decision which also held the move could be made.

The company in its argument stated that the question of whether the company should move its entire headquarters to Des Moines will be resubmitted to policyholders in May. Last spring policyholders voted to transfer the company but it was discovered some 200 holders of educational policies had not been sent ballots on the question and the vote, which was in favor of the transfer, was voided.

R. A. Alford to K. C. Post

Robert A. Alford, recently discharged from the navy, has been made assistant manager of North American Life for western Missouri with headquarters in Kansas City. He is the son of the late Freeman Alford, who was manager for the company in Kansas City for a number of years.

**WHO'S THE AGENT
MOST LIKELY TO SUCCEED?**

It's difficult to give the answer exactly, but Guardian believes a big part of it lies in how the man was chosen for his job. That's why every new Guardian representative today is signed only after careful tests have indicated his aptitude for professional underwriting. What's more, no representative is added in any territory unless his natural market, on careful analysis, seems large enough. And none starts out without careful individual training.

These are some of the reasons we say: watch Guardian people go places in 1946.

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INSURANCE COMPANY OF AMERICA**

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A MUTUAL COMPANY

ESTABLISHED 1860

GUARDIAN OF AMERICAN FAMILIES FOR 86 YEARS

1907

Thirty - Ninth Year

1946

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INDUSTRIAL LIFE
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CREDIT LIFE
MORTGAGE CANCELLATION

INSURANCE
MISSOURI INSURANCE COMPANY

J. C. WEST
President

Home Office
St. Louis 1, Mo.

H. G. ZELLE
Exec. Vice-Pres.

Quigley Resumes Old Post, Nicholls to Far East

George N. Quigley, Jr., has been released from his duties as a commander in the navy, after five years of service, and has resumed his position as Los Angeles manager of Manufacturers Life. During his navy service he was stationed in the Virgin Islands and later in the Pacific.

Gordon L. Prior released from the navy after nearly two years of service, has returned to Los Angeles as agency assistant of Manufacturers Life. Before entering service he was agency secretary there.

New Duties for Nicholls

Graeme Nicholls, who was Los Angeles manager during Mr. Quigley's absence, has been given new duties. He left Los Angeles Monday for New York, whence he will go to London and later to Hong Kong, where he will assume charge of all the company's activities in the far east. Before going to Los Angeles, Mr. Nicholls had spent several years there and is familiar with affairs in that part of the world.

Prudential Promotes Mansfield

Norman L. Mansfield has been named public utilities engineer in the bond department of Prudential. Mr. Mansfield has been assistant public utilities engineer since 1939 and joined Prudential in January, 1933, as a statistician in the bond department. He was educated at Phillips-Andover and Massachusetts Institute of Technology.



G. N. Quigley, Jr.

Brainard is Speaker at Edwards Agency Meeting

The annual sales congress of the R. S. Edwards agency of Aetna Life in Chicago was held Thursday at the Hotel Sherman. Home office guests and speakers at the meeting which consisted of luncheon sales conference and banquet, were Morgan B. Brainard, president; Robert B. Coolidge, agency vice-president, and Carl Josephson, underwriting department.

Chairman of the event and one of the principal speakers was Rudolph LeBoy, the leading agent at Chicago and second high man in the company. He spoke on the use of the controller system for handling prospects and measuring success ratios. Mr. LeBoy and all the other agents present are members of the Big Ten Club, organization in which the ten leading producers of the Edwards agency are enrolled each month. Ben H. Sax, top accident and health writer for Chicago and second in the company, outlined his sales methods. Dwight Tees, a top salesman from the Milwaukee agency, spoke on estate control.

Group Insurance Skit

Members of the group department presented a skit illustrating the origination, sale and promotion of group insurance. A. D. Sten, sales promotion manager of the agency, explained the pension plan and outlined the service allowance plan which has just been put into effect by the company.

Short sales demonstrations were given by Einar Hageman, Robert Johnson and J. Mueller, agents. Other speakers were Al Bluhm and Sam L. Berg, agency premium volume leaders for 1945.

General Agent Edwards announced that the agency stood first in the company for 1945 for the second consecutive year and that the average policy written was \$7,500, considerably above the company average.

Brown Heads Prudential's Baltimore Ordinary Agency

Prudential has appointed Robison Brown, Jr., formerly of Charlotte, N. C., as manager of its Baltimore ordinary agency in the O'Sullivan building. He has just returned from service with the rank of major.

Manager Brown started with Prudential in 1930 and was assistant manager at Atlanta in 1936, and manager of the Jackson, Miss., ordinary agency before becoming manager of the Charlotte ordinary agency in 1941. He served several terms as director of the Jackson and Charlotte Life Underwriters Associations.

Arch Ames, several years acting manager of the Charlotte ordinary agency and president of the Charlotte Life Underwriters Association, has been promoted to manager there. He joined Prudential at Miami, Fla., in 1931 and went to Charlotte as assistant manager in 1933. He served as a member of the 1945 advisory committee of managers.

Cline Case Insurance Angle

Don Peebles, attorney for the public administrator's office at Chicago, states that in a few days he expects to bring an exploratory suit against Metropolitan Life for allegedly having recognized the forged signature on 13 checks, \$500 each under an annuity or optional settlement of Mrs. Eva Delores Krebs Cline, Chicago, allegedly murdered October, 1944, by Alfred Leonard Cline, the "Bluebeard," in Dallas.

Mr. Peebles states that the suit will be brought as a means of getting at the bottom of the matter. He states that he is not certain just what form of contract she had with Metropolitan, but the allegation is that Cline did her in and successfully concealed that she was dead for many months. One theory is that he concealed the fact of her death so as to receive these monthly payments from Metropolitan Life and that he forged her endorsement. Just two days after the last of these 13 checks were cashed it is alleged that Cline did another woman in and claimed that she was Mrs. Krebs-Cline.

Mr. Peebles thinks that perhaps the 13th check was the last one that Mrs. Krebs-Cline was due to get from Metropolitan and that this, therefore, had a bearing on the timing of his alleged crimes.

Guthrie Pittsburgh Chairman

Heading the program committee for Pittsburgh Insurance Day, March 4, at Hotel William Penn is W. M. Guthrie, comptroller of Reliance Life. "Reconversion Problems of the Insurance Industry" is the theme of the day. Ten leaders representing all branches of the business are to be the speakers. Among the members of Mr. Guthrie's committee are Hugh Kemp, Connecticut General Life, who is president of the Agencies Committee of Pittsburgh, and C. Brainerd Metheny, Fidelity Mutual Life, president Pittsburgh Life Underwriters Association.

Norbert H. Weidner of Reliance Life is general chairman for the day.

McFarland Ohio State Leader

The President's and Honor Clubs of Ohio State Life have the largest combined membership in the history of the company. There are 19 in the President's Club, one more than last year, and the Honor Club has 61 members, 16 more than in 1944. The combined membership represents 50% of the entire company field force. James C. McFarland, Cincinnati general agent, leads the field in volume of insurance written, and becomes president of the President's Club. Alfred Guay, Los Angeles general agent, ranked second and has been made secretary. President of the Honor Club is William H. Hecht, general agent at Celina, O., and secretary, William A. Haubenschild, Harrisburg, Pa.

Linton Addresses Managers at Los Angeles

LOS ANGELES—Social security is one of the national factors that came along inevitably with industrialization, and it cannot be avoided or eliminated, M. Albert Linton, president of Provident Mutual Life, told the Life Insurance Managers Association of Los Angeles in a talk on social security at the first meeting of 1946.

W. H. Siegmund, general agent of Connecticut Mutual Life, membership chairman of the Life Underwriters Association of Los Angeles, reported membership is 917 and urged effort to make the total 1,000 by Jan. 18 when report must be sent to the National association.

Kellogg Van Winkle, agency manager of Equitable Society, legislative chairman of the life underwriters association, informed the managers the insurance department in compliance with the amendment to the insurance code passed at the last legislative session, is issuing non-resident life agents licenses to applicants, whether or not the applicant's state has a reciprocal law.

Plan Chicago Sales Forums

The Saturday morning sales forums which have been conducted for a number of years by the Chicago Association of Life Underwriters will be resumed late in February. Roland D. Hinkle of the Reno agency of Equitable Society is in charge of program arrangements. As in the past, the forums will be held Saturday mornings for a number of weeks and each will be devoted to a particular subject with at least two speakers who are authorities. These forums are in the form of a seminar, since there is a talk and then questions are solicited from those attending.

A. A. Press to Eisendrath

A. Aaron Press has been appointed brokerage manager of The J. M. Eisendrath agency of Guardian Life at New York. Mr. Press had been an agency supervisor for Prudential for the last 15 years and has been influential in developing business among many general brokers. He has written for insurance papers and conducted courses for brokers entering insurance. He is a C. L. U. and is a graduate of C. C. N. Y.

Few Veterans Understand N.S.L.I.

ST. PAUL—Less than half of the veterans contacted by the Veterans Administration center at Minneapolis the past month have a clear understanding of their privileges under National Service Life Insurance, Carl D. Hibbard, center manager, reports.

His office has issued a statement designed to enlighten veterans on their rights. The Minnesota Association of Life Underwriters also is carrying on a campaign to help veterans solve their insurance problems. John Steger, Massachusetts Mutual Life, St. Paul, is chairman.

Union Wins Southern Aid Test

WASHINGTON—The national labor relations board has certified United Office & Professional Workers, Local 179, CIO, as collective bargaining agent for agents of Southern Aid Society of Virginia in Virginia and District of Columbia, also for its clerical employees.

N.L.R.B. says elections held Jan. 3 resulted in 59 votes out of 60 cast by agents for the union and 24 out of 35 eligibles voting in the clerical unit for the union.

If you sell disability insurance, don't be without **The A. & H. Bulletins**. Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

ACTUARY AVAILABLE

Experience in all phases of Home Office duties — can assume executive direction of Actuarial, Accounting or Underwriting departments. Address Box E-46, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Constant GROWTH

Insurance in force

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\$86,683,730

an increase of

\$9,175,402

or

11.8%

★ Field Underwriters and Agency Managers PROSPER with our unusual Q-V-S Plan of Compensation!

THE CAPITOL LIFE
• INSURANCE COMPANY

Clarence J. Daly, President

W. V. Woollen, Agency V. Pres.

Home Office: Denver 1, Colo.

Robertson Case Highly Significant

(CONTINUED FROM PAGE 1)

Even though the U. S. Supreme Court's decision should decide the Robertson vs. California case, on the narrowest possible basis the decision will be a momentous one for state regulation, ranking with the Paul vs. Virginia and the S.E.U.A. decisions, according to some of those who have studied closely the entire line of cases bearing on state regulation.

At the very least the court must decide on the constitutionality of a typical statute for the regulation and licensing of agents. At the most extreme, the court could hold that the California statutes licensing agents and admitting out-of-state companies to do business were unconstitutional even though Congress, through public law 15, had unsuccessfully tried to validate such state regulatory laws. Such a decision, of course, would mean the virtual end of state regulation.

Issues Clearly Joined

The opposing briefs clearly set forth the issues involved and the case was well argued before the high court, in the opinion of observers. T. A. Westphal, Jr., deputy attorney general of California, made a particularly fine impression with his presentation of the state's case. He spoke forcefully and he made a sincere and studious argument. He also appeared for the state in First National Benefit's suit against Commissioner Garrison in the circuit court of appeals and it was evident that he was thoroughly familiar with his subject.

Many questions were asked by the justices during the oral argument, but they were not particularly revealing of what the court was thinking.

Two questions asked by Justice Douglas however brought in the possibility that the defendant, F. O. Robertson, might be let off on the ground that the offenses of which he was found guilty

occurred before the passage of public law 15 upholding state regulation. Douglas' questions brought out the fact that the offenses antedated the effective date of P L 15. Douglas did not mention the federal Constitution's prohibition of ex-post-facto laws but it was obvious what he had in mind.

A large part of the second day's time was used up in questions as to whether section 703 of the California insurance law relating to the licensing of out-of-state companies was a law applying to agents for such companies or one applying to the company itself. The former interpretation would favor the state's case, for there would seem to be less question about the right to regulate agents than to exclude a company. The result of so much time being taken for questioning on this point was that Mr. Westphal had very little time to argue on its merits the question whether the state has the right to require an out-of-state company to meet California solvency statute's standards. However this point is thoroughly covered in the briefs not only of California but of New York state and the various industry groups which filed briefs as amici curiae.

Possibilities Are Scanned

As to the various possible decisions which the court may hand down, the state has a strong case. In regard to the regulation of agents and if the statute requiring agents to be licensed is not upheld by the supreme court there would be grave doubt that any other state insurance regulatory law would be upheld. This law presents what appears to be the strongest case for constitutionality. The statute is clear, the offense admitted by the defendant and the question is purely one of constitutional law.

It is possible, of course, that the court may refuse to affirm Robertson's conviction on the ground that at the time he violated the licensing law that statute had not been legitimized by Congress through the enactment of P L 15. Such a decision would ignore the contention that state regulatory laws have been constitutional right along and that P L 15 merely clarified and put into words what had been the obvious intent of Congress for many years previous.

If the decision in the Robertson case is narrowly limited, the question of the right of California to require an insurance company to meet its standards before being allowed to do business there may be decided by the Supreme Court when the loser appeals from whatever decision is given in First National Benefit's million dollar suit against Commissioner Garrison, now pending in the federal circuit court of appeals, since it is inconceivable that this case will not be carried to the highest court if the Robertson case fails to decide the point.

Might Knock Out Conviction

If the Supreme Court refuses to uphold Robertson's conviction it could do so either on the ground that the state licensing law was unconstitutional at the time he violated it. The court might and probably would point out that P L 15, by sanctioning such state regulatory laws, would make further violations unlawful; or the court might say something as to the effect of P L 15; or, it might hold that congress was without power to give its consent to such laws as the California licensing statute. The latter appears to be a very unlikely possibility in view of recent statements by the Supreme Court in two non-insurance cases.

If the high court upholds Robertson's conviction it might hold that the state licensing statutes are constitutional regardless of P L 15.

Second, it might affirm the conviction, taking P L 15 into consideration but removing the ex-post-facto question by saying the P L 15 merely indicated the intention to hold everything as it was before. Third, it might affirm the

conviction for violation of the law requiring licensing of agents but not Robertson's conviction for representing an unlicensed company, holding that keeping the company out of the state was unconstitutional. This point was one that counsel for Robertson stressed.

or rejected otherwise. The standard class is and must be kept broad because it is the large group of normal individuals.

The underwriter's rules for classifying applicants are based first on experience and second on judgment, or perhaps the other way around, he continued. It is a tribute to the medical and actuarial professions that their judgment has been, with few exceptions, borne out by subsequent mortality studies.

"Rules for underwriting overweights are probably as well known as any underwriting rules. The public and you have become accustomed to the fact that overweight over certain limits is accompanied by an extra mortality. The insurance companies devoted a great deal of time and study to this impairment 30 years ago with the result that it is widely accepted as an impairment today.

"High blood pressure is not yet as generally accepted as an impairment by the general public. The companies made an extensive study just a few years ago that will go a long way toward convincing any doubters in the medical profession or in the public that even a moderate degree of hypertension is a prelude to extra mortality. The study showed without question that extra mortality increases with increasing blood pressure and that in those ranges regarded by the family physician as normal there may be sufficient extra mortality to require an extra premium.

"There has been other insurance experience indicating that even though the blood pressure may be normal or only slightly above normal today, there is an extra mortality involved if it had previously been found at higher levels. Studies published just recently of experience on army officers point to the fact that transient hypertension develops into persistent hypertension and leads to disability and death eventually."

"Occasionally an underwriter rejects a case because of what he calls 'over-

**Opportunities
of the Month**

GENERAL AGENCIES

in N. Dakota

Fargo

Bismarck

Grand Forks

LIBERAL COMMISSIONS OFFICE ALLOWANCES

DEVELOPMENT FUNDS PERSISTENCY BONUSES

ORGANIZATION ALLOWANCES

Write Harry S. McConachie Vice President

American Mutual Life Insurance Company
FOUNDED IN 1855
Des Moines, Iowa

Shows Reasons for Underwriting Rules

Determining what is a satisfactory mortality for the standard group is most difficult, he said. A ratio of actual to expected deaths equal to 100% of the mortality assumed in calculating the premiums or the mortality shown by any of the accepted mortality tables would not be satisfactory as those standards have to include a margin of safety. A ratio of this year as good as last year's might not be satisfactory. The best measure can be determined only by comparing the company's experience in one year with its experience in previous years, and comparing all these figures with the experiences of other companies doing a comparable business. To an underwriter, the mortality for a given year is not satisfactory if there were any claims incurred on policies that should not have been issued.

Tests Work Both Ways

The underwriter is always seeking to avoid putting in the standard class those who should be rated substandard or rejected, but he is also trying to accept at standard rates as many applicants as he possibly can. The fear has been expressed in some quarters that the standard class is being made too narrow—that special tests are resulting in more and more rejections and ratings. These tests work both ways, because with them we can insure at standard rates many cases that would be rated

THE COMPANY OF  SUCCESSFUL FIELDMEN

Early Success

Twenty-two percent of the present members of the Pacific Mutual's Big Tree Leaders Club qualified for this honor organization in their first year with the company.

Striking proof that newcomers in the Pacific Mutual field can attain sales success quickly!

Here's the three-fold reason:

First—A practical training program, embracing each successive step in an organized and complete merchandising process.

Second—A complete range of personal coverage to sell.

Third—The "New and Unusual Savings Plan"—a complete economic security package for the individual buyer.

PACIFIC MUTUAL
LIFE INSURANCE COMPANY

HOME OFFICE: LOS ANGELES, CALIFORNIA

Coverage that's
Complete

LIFE INSURANCE
ACCIDENT & HEALTH
GROUP & WHOLESALE
ANNUITIES-JUVENILE

New and Unusual
Savings Plan

insurance.' What does he mean? He means that this particular individual shows an abnormal interest in life insurance, and the amount carried and applied for appears unusual and, therefore, excessive in relation to his income. Companies learned with regret a number of years ago that there was an extra mortality involved in the class where the amount of insurance carried and applied for was extreme in relation to the income of the individual. They couldn't find any physical impairment or hazardous occupations or moral hazards to indicate that an extra mortality was to be expected. There was simply the one danger signal of the abnormal interest in life insurance," he said.

"This does not mean that all applicants who want to put all their savings into life insurance are substandard or rejectable risks. It means simply that some of them are. The underwriter may or may not be successful in picking them out and rejecting them. He may be able to select from this group a number that will give a fairly standard mortality but he is on dangerous ground."

Mutualization of General American

(CONTINUED FROM PAGE 2)

D. McCutcheon and John D. Price, all of St. Louis; A. P. Hood, J. N. Nutt and Harvey T. Smith, representing respectively the insurance departments of Missouri, Texas and Illinois, in connection with a current examination; Alex Good, actuary for the Missouri department, and the entire board of directors.

Powell B. McHaney was toastmaster. Frank E. Agnew, Jr., vice-president, welcomed back to the ranks 35 former servicemen.

The mutualization plan was worked out by Mr. Head and Mr. O'Donnell,

shortly after control had been sold by David M. Milton of New York to Southwestern Life for \$60 a share. At that time General American, through Missouri State Life account, was the owner of 105,000 shares of the Texas company. Each company owned control of the other.

Mr. Head consented to sell 30,000 shares of Southwestern Life to a Texas holding company affiliated with the Southwestern interests for \$60 per share. The releasing of this stock returned nominal control to Texas. A prominent part in this transaction was taken by Tom Clark, now U. S. attorney general.

The current value of Southwestern stock is about 70% above the price paid for it that returned control to Texas in 1936.

The original liens against Missouri State Life policies have already been reduced 80% with another reduction in prospect for this year.

Watch Health Cover Bills

(CONTINUED FROM PAGE 3)

Senate by Corcoran of Brooklyn and in the assembly by Farbatein of Manhattan.

It provides for taxing employed persons 1½% of earnings up to \$3,600 a year and there would be an equal tax on employers. Self-employed persons would contribute 3%, welfare agencies would pay the tax for unemployed persons that they are aiding.

CAL. BILL INTRODUCED

SAN FRANCISCO—Sponsored by Governor Warren the California legislature is considering a measure which would extend the provisions of the unemployment insurance act to make payments to workers who are unemployed

because of illness. The governor states that the present fund of \$750 million is ample to take care of the worst possible unemployment situation and still have about \$300 million. By granting illness payments from this fund the governor says that many who have worked continuously for one firm or in one position for many years will have some opportunity to get some benefits from the unemployment insurance premiums they have paid all these years.

Another argument he makes is that it will benefit small business people who continue to keep employees on the payroll during illness usually at considerable financial hardship. This situation, he said, results from the close relationships which usually develop between employer and employee in small concerns.

Issues Closely Drawn in S. C. Tax Case

(CONTINUED FROM PAGE 2)

that South Carolina's premium tax on foreign insurance companies" violate the Constitution.

The state submits that all questions in the case are settled in accord with the opinion below by the decisions in the S.E.U.A. and Lincoln National Life vs. Read cases, and by public law 15.

More Than Billion Paid to Canadians in War Years

More than \$1 billion was paid out to Canadians by life insurance companies in the war years, John D. Buchanan, London, Ont., president Canadian Life Insurance Officers Association, announced in a New Year review addressed to policyholders in the Dominion and to Canadian life men throughout the world. In 1945, payments made by the companies to Canadian policyholders or their beneficiaries amounted to about \$160,000,000.

He commented that in Canada life companies generally did not apply any war service clause restricting benefits or charging extra premium to any policy sold before the actual beginning of hostilities, and therefore a large proportion of the men who entered the armed forces had unrestricted life insurance coverage. As a result, from the beginning of 1940 to the end of the war, the companies paid out about \$30,000,000 to the beneficiaries of Canadians who lost their lives while serving overseas.

However, that extra burden on life insurance funds was balanced in part by a civilian death rate in Canada that was lower than in pre-war years.

Life companies in Canada bought more than \$1½ billion of Victory bonds during the war, government bonds rising from about 11% of total assets to over 40%. The result was that interest yield on new investments from year to year was much lower than in pre-war years, but, some favorable developments served to balance the companies' financial position; in addition to the lower civilian death rate, there was improvement in some older investments due to business activity and a reduced ratio of operating costs through increased business.

Canadians' life insurance protection, he said, actually increased about 50% during the war, and the total in force in the Dominion is now about \$10 billion including more than \$950 million bought in 1945.

Allen Holds Agency Division and Sales Meet in Atlanta

Luther E. Allen, general agent for Northwestern Mutual Life in Atlanta, gave a dinner last week for his Georgia associates. About 45 attended, including wives of the agents, and Mr. Allen gave his agency figures, which broke a 77-year record with a paid for production of new business, not including annuities, showing a 60% increase over 1944.

George M. Venable, Columbus, was leading producer. The meeting lasted all day and included sales conferences.

R. R. Stroud Assistant to Mutual Life President

Robert R. Stroud has been appointed an assistant to the president of Mutual Life. A graduate of Arizona State Teachers College and the University of Arizona law school, Mr. Stroud joined Mutual Life in January, 1940, as secretary to the president. He was appointed assistant secretary in February, 1940, and will continue these duties in his new post.

Great Northern Expands and Modernizes Home Office

Great Northern Life is expanding and modernizing its home office quarters in the Westminster building, Chicago.

About half of the seventh floor has been taken on and converted into executive offices. These are done in modern style with light walls and fluorescent lighting and air conditioning will be installed as soon as the equipment can be obtained.

The reception area is particularly inviting.

Most of the private offices on the sixth floor, where the executives have been quartered, will be taken out and the actuarial and underwriting departments will move up from the fifth floor. The latter will be used mainly for files and M.I.B. department.

Sullivan Mass. Mutual 2d Man in Group Field

Harold L. Sullivan, benefit department assistant manager of Massachusetts Mutual Life, has been appointed assistant manager of the new group department of which Thomas J. Connell is manager.

A fellow of Life Office Management Association since 1940, Mr. Sullivan went with Massachusetts Mutual in 1923 to the benefit department, and 16 years later was made assistant manager.

He is the author of the "Manual of the Optional Methods of Settlement" included in the Massachusetts Mutual course of training for agents.

Mr. Sullivan graduated at Massachusetts State College in 1918.

C.L.U. to Hold 2 Week Institute in Conn. for 50

The first C.L.U. institute will be held at University of Connecticut June 24-July 5, according to H. H. Cammack, chairman of the committee. Enrollment is limited to 50 from New York and New England. Eventually it is hoped to hold similar courses elsewhere. The tuition fee is \$100 and expenses are estimated at \$30-\$40 a week.

Woods Rejoins Yates Agency

Col. Robert L. Woods has resumed his position as associate general agent in the John W. Yates agency of the Massachusetts Mutual Life in Los Angeles, following his release from active duty with the army.

Baker Leads Columbian Mutual

C. A. Baker, Birmingham, Ala., has been named leading general agent of Columbian Mutual Life for 1945. The "Alabama Coon Hunters," as the agency is known, paid for 175.45% of the 1945 allotment for new paid business, thereby winning the first place trophy.

The Ben Stallings agency of Tupelo, Miss., won second place with Sam Wright's agency of Greenwood, Miss., finishing third.

Reliance Revives Lead Service

Reliance Life has redesigned its lead service for agents to use in direct mail approaches. Changes have been made in the letterheads and text of the letters and a new booklet has been prepared to supplement the letters.

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L. CARTWRIGHT.

THE NATIONAL UNDERWRITER COMPANY

175 W. Jackson Blvd.

Chicago 4, Ill.

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January 18, 1946

NEWS ABOUT LIFE POLICIES

Prudential's New Dividend Scale

The 1946 ordinary dividend scale of Prudential represents an adjustment of the 1945 scale, the effect of which is an increase in dividends where policy reserves are small and a decrease where policy reserves are larger.

Interest to be credited on dividends left to accumulate is the guaranteed rate but not less than 2½%. Interest on settlement options is 2¾%.

Illustrative dividends per \$1,000 on the new scale for several policy forms are:

Whole Life Paid-Up at 85

Cash Dividends End of Policy Year

Age	Total					Yrs.
	2	5	10	15	20	
10	2.89	3.26	3.73	4.06	4.41	71.08
15	3.01	3.47	3.89	4.24	4.65	74.67
20	3.17	3.66	4.05	4.49	5.05	78.72
25	3.19	3.63	4.10	4.54	5.15	79.64
30	3.19	3.66	4.13	4.63	5.25	80.58
35	3.22	3.70	4.18	4.71	5.37	81.80
40	3.23	3.72	4.23	4.75	5.48	82.92
45	3.25	3.75	4.31	4.85	5.61	84.26
50	3.25	3.78	4.35	4.98	5.75	85.49
55	3.27	3.80	4.42	5.08	5.88	86.97
60	3.30	3.85	4.51	5.19	6.03	88.65
65	3.31	3.90	4.58	5.30	6.17	90.19
70	3.33	3.94	4.67	5.42	6.34	91.94
75	3.34	4.00	4.77	5.56	6.49	93.84
80	3.38	4.06	4.86	5.70	6.67	95.87
85	3.43	4.11	4.97	5.88	6.88	98.55
90	3.44	4.20	5.07	6.00	7.08	100.41
95	3.49	4.28	5.21	6.17	7.29	102.92
100	3.53	4.36	5.34	6.34	7.51	105.43
105	3.59	4.46	5.48	6.52	7.76	108.30
110	3.65	4.54	5.62	6.72	7.99	111.26
115	3.71	4.65	5.78	6.94	8.27	114.53
120	3.78	4.75	5.96	7.17	8.56	117.86
125	3.85	4.90	6.13	7.37	8.84	121.40
130	3.93	5.02	6.31	7.63	9.16	125.27
135	4.03	5.17	6.52	7.90	9.47	129.35
140	4.13	5.31	6.73	8.18	9.83	133.65
145	4.24	5.49	6.98	8.49	10.22	138.44
150	4.36	5.64	7.21	8.79	10.59	143.19
155	4.46	5.85	7.47	9.13	11.02	148.51
160	4.62	6.05	7.76	9.43	11.43	154.06
165	4.77	6.26	8.06	9.87	11.91	160.14
170	4.94	6.51	8.39	10.27	12.39	166.52
175	5.11	6.76	8.73	10.70	12.92	173.34
180	5.30	7.04	9.10	11.17	12.48	180.60
185	5.54	7.33	9.49	11.63	14.06	188.33
190	5.74	7.64	9.91	12.14	14.70	196.53
195	6.00	7.98	10.36	12.68	15.36	205.40
200	6.00	7.98	10.37	13.09	15.99	205.66
205	6.92	13.14	16.86	20.14	21.78	325.36

Modified Life 3

Age	Total					Yrs.
	2	5	10	15	20	
10	2.66	2.78	3.20	3.54	3.87	59.02
15	2.99	3.16	3.50	3.87	4.28	65.21
20	3.36	3.49	3.86	4.29	4.86	72.37
25	3.71	3.87	4.31	4.92	5.62	81.98
30	4.14	4.36	4.98	5.74	6.67	94.91
35	4.82	5.12	5.92	6.89	8.01	112.99
40	5.55	5.93	6.97	8.18	9.58	132.23
45	6.59	7.08	8.39	9.90	11.63	160.61
50	8.06	8.68	10.34	12.23	14.40	198.22
55	10.14	10.92	13.04	15.41	18.16	249.72
60	13.11	14.11	16.76	19.80	23.36	321.38
65	17.36	18.60	22.00	25.92	30.52	421.59

20 Payment Life

Age	Total					Yrs.
	2	5	10	15	20	
10	3.20	4.02	4.93	5.64	6.44	94.92
15	3.32	4.26	5.12	5.89	6.77	99.23
20	3.49	4.41	5.31	6.17	7.22	103.75
25	3.55	4.54	5.36	6.56	7.75	109.24
30	3.62	4.73	5.91	7.06	8.40	116.34
35	3.78	5.01	6.37	7.72	9.20	125.84
40	4.04	5.43	7.00	8.53	10.18	138.30
45	4.47	6.07	7.88	9.61	11.41	155.12
50	5.12	6.98	9.09	11.05	12.96	178.17
55	6.11	8.32	10.80	13.03	15.04	210.60
60	7.66	10.26	13.24	15.90	17.88	257.14
65	9.92	13.14	16.86	20.14	21.78	325.36

20 Year Endowment

Age	Total					Yrs.
	2	5	10	15	20	
10	3.60	4.24	5.04	5.65	6.32	96.80
15	3.77	4.56	5.34	6.04	6.88	103.44
20	3.87	4.37	5.05	5.72	6.45	110.11
25	3.89	5.39	7.11	8.81	10.77	141.41
30	3.93	5.48	7.24	8.98	10.94	143.79
35	4.00	5.64	7.46	9.27	11.20	148.08
40	4.23	5.92	7.86	9.70	11.62	155.19
45	4.62	6.43	8.48	10.39	12.24	166.58
50	5.20	7.21	9.47	11.50	13.24	184.53
55	6.17	8.44	10.98	13.17	14.80	212.44
60	7.67	10.33	13.30	15.84	17.10	255.76
65	9.93	13.17	16.84	19.98	20.64	321.92

Income Endowment at Age 65 (Male-\$1,200 Insurance)

Age	Total					Yrs.
	2	5	10	15	20	
10	3.60	4.24	5.04	5.65	6.32	96.80
15	3.77	4.56	5.34	6.04	6.88	103.44
20	3.98	4.82	5.71	6.57	7.64	111.67
25	4.13	5.12	6.21	7.33	8.67	122.44
30	4.32	5.54	6.96	8.38	10.02	137.70
35	4.60	6.18	8.00	9.80	11.78	158.47
40	5.09	7.14	9.47	11.71	14.01	187.09
45	5.89	8.58	11.62	14.31	16.59	226.54

Hundreds of sales ideas in The Accident & Health Bulletins. Write the A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, O.

Great-West Introduces Three Juvenile Plans

Three new juvenile plans have been adopted by Great-West Life, endowment at age 18, endowment at 21, and endowment at 25.

Premium rate on endowment at 18 is \$54.60 at age 1, \$74.03 at age 5; on endowment at 21, \$45.38 at 1, \$58.46 at 5; endowment at 25, \$36.81 at 1 and \$45.38 at 5.

Indianapolis Life Makes Some Rate Revisions

Indianapolis Life has increased the rates and values for income endowments at 60 and 65. There also has been an increase in the rates for single premium immediate annuities, family income and family maintenance provisions, salary continuation policies and continuous monthly income policies.

On the annual and single premium retirement annuities the incomes per unit of premium are reduced. Rates for all other forms of insurance, however, remain unchanged. The basic dividend scale used in 1945 is continued for 1946.

Following are examples of the new single premium annuity rates:

Age	Life Annuity		Refund Annuity
	\$100	\$10	
6 F	Annually	Monthly	Annually Monthly
10	40	45	\$2,483.80
15	45	50	\$3,029.36
20	50	55	\$2,706.70
25	55	60	\$3,306.84
30	60	65	\$2,510.10
35	65	70	\$3,070.92
40	70	75	\$2,830.08
45	75	80	\$2,586.72
50	80	85	\$2,343.48
55	85	90	\$2,103.60
60	90	95	\$1,870.32
65	95	100	\$1,609.60
70	100	105	\$1,323.48

Child's Savings Plan

Juvenile insurance in Bankers National of New Jersey now provides full benefit at age 5. New premium rates are:

Age	Under 6 mos.	20 Pay.		20 Yr. Savings Plan
Age 85	Life End.			

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LEGAL RESERVE FRATERNALS

Aid Association New Sales Volume Increases

Total new business production of Aid Association for Lutherans, Appleton, Wis., in 1945 was \$32,239,981, an increase of about 2% over the 1944 figure. The December business aggregated \$3,365,875, or \$234,000 greater than December, 1944.

A. H. Blankenburg of Wisconsin led the field with \$638,552 of new business and the E. H. Neumann agency was number one countrywide with \$2,308,705. F. C. Bammel of Wisconsin was the second personal producer with \$547,250; A. J. F. Goeglein of Ohio third with \$545,600; Theodore Precht of Indiana fourth with \$506,550, and John Pekrul of Wisconsin fifth, \$494,221.

Defendants in Alleged GI Policy Fraud Post Bonds

DENVER—Marie Stoefler, last of four defendants to be arraigned on federal indictments charging operating a \$50,000 insurance fraud, posted a bond of \$1,000 before U. S. Commissioner Oakes here.

The other three, indicted in December by a federal grand jury on charges of defrauding the federal government and the veterans administration, are: Samuel L. Barenheim, attorney and Colorado agent for A.O.U.W. of Kansas; Ben Scheeter and Harold L. Mankoff, both agents of the society. They posted bonds of \$2,500 each.

The government charges that since 1942 the four had solicited men about to enter the service to sign up for "free" \$10,000 life policies. When the men were inducted, the government alleges, their application blanks were predicated and sent to the home office in Kansas City.

The government then paid the premiums under the soldier's and sailor's civil relief act and charged the amount to the service man's account.

The applicants, it was alleged, were told they need pay only a month's premium, and thereafter the insurance would be free, with the government paying the cost. It was charged about \$400,000 of premiums was thus advanced by the government.

Ben Hur Managers, Field Workers in Conference

State managers and field workers of Ben Hur Life, Crawfordsville, Ind., representing 15 midwestern states, attended a two-day sales conference at the home office Jan. 14-15. State managers included M. W. Voris, Indianapolis, for southern Indiana; J. F. Rich, Chicago territory; M. C. Pinkstaff, Centralia, southern Illinois; S. E. Michot, Louisville; Harry Petty Kennet, for Missouri; Rampl Kemble, Elkhart, for southern Michigan; H. C. Hubbs, Memphis, for Tennessee; A. S. Bradshaw, Philadelphia, eastern manager; T. W. Callahan, Warren, O.; E. E. Comton, Sioux City, for Iowa; F. C. Greer, Little Rock, for Arkansas, and E. L. Wagster, Vincennes, for southwestern Indiana.

Maryland-D. C. Congress to Meet in Baltimore Feb. 14-15

Plans have been completed for the annual meeting of the Maryland-District of Columbia Fraternal Congress, Baltimore Hotel, Baltimore, Feb. 14-15. The state and field managers section will meet the first day and there will be a dinner that night. This part of the congress activities will be in charge of William Hayes, Maccabees, chairman.

The next day will be given over to

the general business sessions of the congress, closing with a banquet and dance. The general meeting will be presided over by Mrs. Henrietta Snider, Woodmen Circle, congress president. The program will provide for a wide range of interesting topics. Major T. R. McKeldin of Baltimore, Gov. Herbert R. O'Conor of Maryland, and Commissioner Lawrence Ensor of Maryland are expected to attend as guests.

W.O.W., Omaha, Production Increases 16% in 1945

New paid production of Woodmen of the World Life, Omaha, in 1945 totaled \$64,848,453, an increase of almost \$9 million over 1944. A goal of \$75 million has been set for this year by Farrar Newberry, president, and the directors.

L. R. Robertson of Dallas was "Big Ten" leader last year with \$1,867,500 and J. F. Fooshe, Jr., of Georgia was second with \$1,498,500. Other individual producers with high scores were: J. G. Donaldson, South Carolina, \$941,000; Pedro Gonzales, Texas, \$827,500; J. M. Kavane, Indiana, \$785,500; A. E. Ledoux, Louisiana, \$747,000; J. B. Blalock, Kentucky, \$727,114; J. J. Koos, Arkansas, \$714,000; C. L. Currier, Texas, \$631,000 and M. V. Salaiz, Texas, \$611,000.

Texas under J. R. Sims, state manager, led with \$11,672,034 of business, a gain of over \$1,300,000, and Georgia under Manager H. C. Fabian was second with \$6,171,097.

Leaders in the President Newberry appreciation campaign which was just closed were: A. E. Ledoux, Louisiana, \$400,500; Mr. Blalock, Kentucky, \$326,000; J. Blackwell, South Carolina, \$321,750; H. A. Melvin, North Carolina, \$264,000, and A. L. McAlister, Nebraska, \$266,650.

The \$200,000 Club in 1945 had a membership of 72 men and the \$100,000 Club numbered 103.

Maccabees Campaigns for Detroit Convention

Maccabees Jan. 1 started a seven-month "Fraternal Home Coming" sales campaign in conjunction with the supreme convention which it will hold at Detroit the last week in August. The society has published a 12-page illustrated brochure relating to the convention. It gives a historical sketch of Detroit and many pictures including the Ford Rouge plant, Belle Isle, the Edison memorial, skyline and other views, and also pictures of society activities and a two-page map of the city indicating the position of the home office.

Cash allowances are offered to all who fulfill quotas and attend the convention, and also to drill teams which meet minimum requirements. The society also will pay travel and incidental expense. There will be competitive drills held during the convention with trophies to the winning teams. All cups and plaques will be inscribed to indicate excellence of teams in the four classifications of adult and junior competitive drill, adult and junior musical entertainment, special stunts or other features.

Chicago Branch Is Opened

Ladies Catholic Benevolent of Columbus bus has opened a new branch in Chicago titled St. Dorothy's No. 1489. Mrs. Mary McGowan, supreme trustee, initiated the branch in honor of the late Mrs. Julia A. Ward Clingen, who was supreme trustee, and installed the officers. Miss Marie Schaller is the new president.

W. H. Price Georgia Manager

ATLANTA—W. H. Price has been named Georgia manager of Preferred Life, fraternal of Montgomery, Ala. He graduated from Middle Georgia College and was formerly southeastern representative of Exact Weight Scales Co.

For full data on life companies, contracts, costs or values, get the *Unique Manual-Digest*, \$6 from National Underwriter.

Plan Research Council Expansion

Plans are under way to raise additional funds and expand the operations of Research Council for Economic Security, Chicago. Bertram J. Cahn, president of Kuppenheimer & Co., and chairman of the board of trustees of the Research Council, gave a luncheon last week at the Mid-Day Club in Chicago for a number of leading industrialists and insurance men at which the plan to raise \$75,000 additional was announced. Much interest was indicated.

The staff now consists of Gerhard Hirschfeld, director, and Carl W. Strow, research consultant.

Mr. Hirschfeld was formerly with the Insurance Economics Society and before that was a research man and statistician for the "Spectator." Mr. Strow was professor of economics at Elmhurst college.

This office conducts research on various aspects of social security including health insurance, cost analyses, etc., and a number of these studies have already been published. It does not engage in dissemination of the material, however. One study, "Health Insurance," appeared in the "Journal" of the American Medical Association, July 21, 1941. In May of last year there was a study, "Estimated Cost of Old Age and Survivors' Insurance," which was printed in the "Quarterly Journal of Economics." Last November an article by Mr. Hirschfeld, "Security, the American Way," was printed in the "Savings Bank Journal" and this has been very widely disseminated by the Insurance Economics Society.

Insurance men at the luncheon included R. J. Wetterlund, general counsel of Washington National, and president Health & Accident Underwriters Conference, who is a trustee of the Research Council; G. R. Kendall, president of Washington National; C. O. Pauley, secretary of Great Northern Life, and James S. Kemper, chairman of Lumbermen's Mutual Casualty.

Vice-chairman of the trustees is Arthur R. Kaiser, manager of the tax department of Sears, Roebuck & Co., the other trustee is W. J. McPherson, vice-president Public Service Co. of Northern Illinois.

Insurance for Entire Family

Life Health and Accident Hospital Expense

Desirable territory available for District Managers

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Founded 1890



A member of the National Fraternal Congress
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One of America's Leading Fraternal Life Insurance Societies

AID ASSOCIATION for LUTHERANS APPLETON, WISCONSIN



Returning Veterans!

Selling legal reserve life insurance is pleasant and profitable employment.

You have an opportunity to develop lists of new prospects through meeting the present policy-holders in the territory assigned to you.

Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

Equitable Reserve Association Neenah, Wisconsin

Sales Ideas and Suggestions

Production Ideas for 1946 Presented in Oklahoma City

OKLAHOMA CITY—With nearly 400 in attendance the Oklahoma Association of Life Underwriters' annual sales congress featured several outstanding speakers and a panel discussion on National Service Life presented by Lawrence N. Klein, John Hancock Mutual; Herndon Lackey, Massachusetts Mutual; and G. Scaling Corbin, Oklahoma general agent American Mutual.

Lynn S. Broaddus, Chicago manager Guardian Life, urged motivating from the heart rather than from the premium as the urge to buy must come from within. "Keep in mind that if the client buys, he benefits, if not, he is the loser, not you. Don't let him say no to life insurance, as by doing so he says 'yes' to a fate that he does not understand," he asserted.

Color is abundant in things and incidents encountered in every day life, Newell C. Day, Davenport, Ia., general agent Equitable of Iowa, pointed out. Even obstacles may be converted into effective, colorful presentations. "Say what you have to say and do what you have to do—but say and do them in a colorful fashion," he commented.

Time for Golden Harvest

Lieut. Charles Seay, insurance officer at Sheppard Field, Tex., formerly with Southwestern Life, Dallas, maintained that the time is here for a golden harvest for life insurance men. "Get the business on the books while opportunity is here, but don't neglect the little fundamentals such as enthusiasm, confidence, loyalty to company, client and to yourself, and the urge to build your own income," he cautioned. "Be a salesman at all times—don't stop when you leave the office, and don't fail to ask everyone to buy—brothers, sisters, mothers, fathers, friends and everyone encountered."

Citing business insurance as the major

field of life underwriting today, H. P. Gravengaard, associate editor Diamond Life Bulletins, designated this phase of the profession as a "tremendous responsibility" to see that business is protected. Business insurance can be written by every full time agent. Business has been slow to recognize the importance of protecting the key man, he observed, pointing to the pitfalls to which a business is subject in case of a key man's death. When an executive dies it is a real loss to his business. Insurance on his life will not only offset the loss to the corporation but it strengthens its credit standing. There are many other benefits, such as an income tax free salary continuance plan for his widow.

Recognition was given to women agents in a panel headed by Pearle Easley, Massachusetts Mutual. To meet conditions which will probably make money harder to get, she urged agents to step up efficiency as counsellors and salesmen.

Holman Speaks

Gerald A. Holman, American National, told how he sold 440 policies his first year, 50% of which were to women. All but about a dozen are still on the books. This served as a stimulant to his realization of the importance of women as life insurance clients.

Impelled by the satisfaction of owning \$10,000 life insurance, war veterans are thinking more seriously of larger policies which in turn will increase the size of the average life policy written in 1946, Mary Hobbs, Penn Mutual Life, predicted.

R. W. Dozier, top producer in Oklahoma for Massachusetts Mutual, discussed tax problems relating to life insurance ownership. Jeff H. Williams, Chickasha, Okla., attorney, concluded the program.

develop this field of activity among present clients.

Mr. Priebe does not confine his programming just to people who are insurable, but has prepared many programs for friends and prospects who are uninsurable because of medical reasons or age. Such people become fine centers of influence because they are grateful for the service rendered, and especially so since they are aware the life man

knew he could not be compensated financially for the work done.

He said the C.L.U. work and designation are fine to have but a life man or woman need not be a C.L.U. to practice this professional approach of programming, and by doing this kind of work will attain a professional standing in the eyes of their clients.

Mr. Priebe is a qualifying member of the Million Dollar Round Table of 1945.

Bright Future for Life Agents Seen by Riehle

There is nothing more important to America than the occupations of selling and distribution and life insurance selling will pay more and give more opportunities of advancement than most other businesses, according to Theodore M. Riehle, New York City general agent Equitable Society and past president of the National Association of Life Underwriters. Many successful executives came up through the salesmanship route and the pay of the salesman is measured by his results and is not static and restrained, as is the case of those on the stated income side of business, he pointed out.

Business Always Good

The life insurance business is always good especially when the stock market is good. Taxes are going down, good for more business, good for the agent's own savings. Now there is down-trend in income taxes after 16 years of constant increases.

Today \$150 a month is regarded as about the minimum comfortable retirement income. At one time the figure was \$100. As the purchasing power of the dollar will be greater in the future, "every cheap dollar I save or convince my clients to save will be worth 20 or 30% more than it is today. Therefore the \$150 monthly income idea we sell today will be worth about \$200 monthly 10 years from now," he asserted.

War risk insurance in the first war positively helped and National Service Life will likewise. "Do your bit to see that National Service Life is kept in force. Social security has definitely helped life insurance sales in the past and will continue to do so. Remember, it is easier to sell additional coverage if it is related to some already in force," Mr. Riehle pointed out.

In good times and bad the number one objection, often fancied seldom real, is, "I can't afford it." This is usually a part of the procrastination defense mechanism. Learn techniques to overcome this great enemy, procrastination. Sell an interview under favorable conditions. Sell the examination. Program.

"Help the cause of better selection of agents. Do more than shrug your shoulders. Help your company introduce the type you want. Your constructive attitude is vital.

"What you do in the next ten years will give the answer. It is up to you. Doing is not so difficult, making up your mind to do is hard. If you can't make up your own mind let someone else do it for you. You stagnate or you grow. Let your progress be constant. Increase your energy, courage and vision—high octane it with dynamic action. Shoot for the stars and you may reach the moon.

"At least look at your own retirement picture at age 65, then at 60. Making money is one thing; achieving financial security is another. No man is truly successful unless he is financially independent of his own business. Have you

discounted any premiums on your own insurance lately?"

Life insurance is the double-edged sword, Mr. Riehle asserted. Never forget "What do you want your investments to do for you?" In the final analysis, every man wants his investments to serve him surely and well in case of old age or premature death. Life insurance offers the most in these emergencies.

Favorable and Unfavorable Factors

The hills of prosperity are as high but the valleys of depression not as deep in life insurance as in other businesses. At all times there are favorable and unfavorable factors. "If and when a depression comes you will not be too hard put to earn a living. There is no other business that furnishes a substantial cushion, guarantees an income such as is provided through renewal and service commissions. Sell high premium insurance, program, discount premiums. Your earnings will not fluctuate up and down in an extreme and unpredictable manner. Those properly equipped have nothing to fear." The competent life underwriter is never out of a job, Mr. Riehle stated.

Debit Men Given Pointers at Peoria Conference

PEORIA, ILL.—Stressing the importance of talking income rather than the outmoded terms of thousands of dollars, Paul L. Allen, Metropolitan Life, Waukegan, spoke to the industrial conference of the Peoria Life Underwriters Association. An insurance man is as important to the community as a doctor or a teacher, he asserted.

Leo G. Rapp, Prudential, Chicago, stressed the responsibility of agents in seeing that the public has the correct insurance for its needs. "As people become more and more life insurance minded," he pointed out, "they are more dependant on the debit man for correct advice."

Genuine interest in selling and wanting to do the job are the principal points in successful selling, Mrs. Esther Hollmer, John Hancock, Sioux City, Ia., stated.

Freedman '45 Equitable Soc. Leader with \$2 3/4 Million

David A. Freedman was the leading Equitable Society personal producer for 1945.

A member of the Rosenstein agency, New York, Mr. Freedman wrote \$2 3/4 million of new business last year and during the 22 years he has been with Equitable he has averaged \$1 million of new business per year.

Mr. Freedman began his career as a part-time agent in 1924 while a student at Brooklyn Law School. His first full year with Equitable was 1926 when he wrote \$1 3/4 million.

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Weil Again Mutual Benefit Top Man

Sidney Weil of Cincinnati ranked No. 1 on the 1945 annual Leaders Club of Mutual Benefit Life, and Fred L. Penney of Boston was selected "New Man of the Year."

Mr. Weil qualified for leader on the new basis of first-year commissions. His production was \$1,442,215 on 69½ lives and it was his third consecutive million-dollar year. In 1943 he led the company for the first time and was a close runner-up in 1944. He is also a life and qualifying member of the Million Dollar Round Table.

Prior to entering insurance he was owner and president of the Cincinnati Reds.

New Honor Classification

Mr. Penney was chosen because of his all-round excellent performance. This is his new honor classification.

Mr. Penney entered the business in January, 1945, with the W. E. Johnson agency. He had previously been engaged in sales work in automobiles and home insulation. His production for his first 11 months was 28 lives for \$390,500, earning a higher total of first-year commissions per month than any other person new to the business in Mutual Benefit last year. He ranked No. 66 in the 1945 Leaders Club.

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Nat'l Fidelity Leaders Feted

KANSAS CITY—The annual meeting of the President's Honor Staff, leading producers' club of National Fidelity Life, was held here. With more than 50 in attendance, the two day meeting was devoted to discussion of new 1945 policy forms and new direct mail lead systems. The business sessions were under the direction of B. Taylor, vice-president and superintendent of agencies.

The wives of the leading producers were guests. At a luncheon awards were made by President W. Ralph Jones.

The banquet was attended by more than 100, including home office personnel. President Jones presided. He presented the officers of the 1946 President's Honor Staff. J. D. Adam of Kansas is president. More representatives qualified for this leaders' club in 1945 than in any year in history.

In 1945, new business increased 24.2%, insurance in force, 11.1% and surplus 14.9%. Insurance in force was \$41 million.

Manuel Camps, Jr., Is Boston Speaker Jan. 24

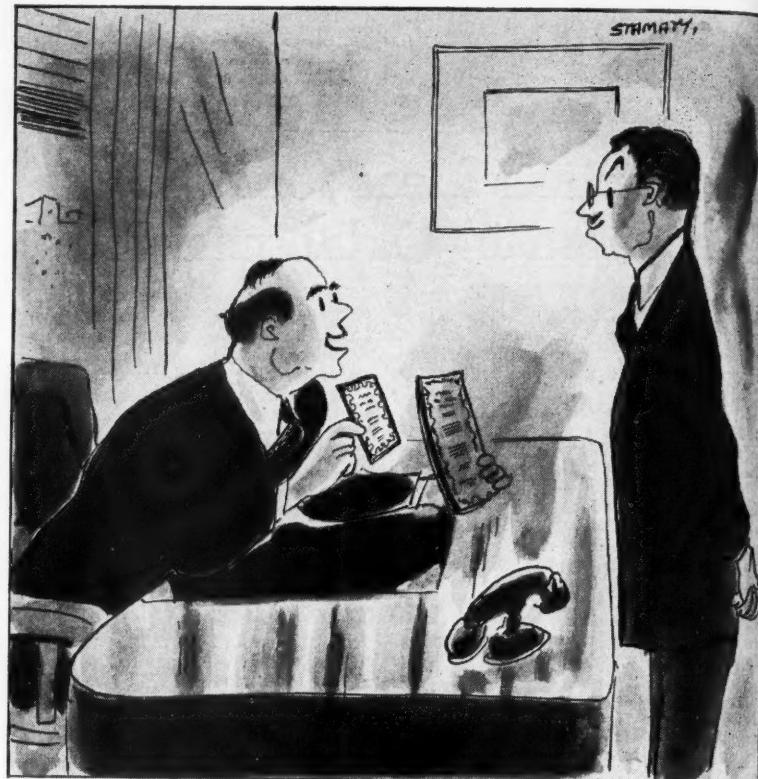
Manuel Camps, Jr., general agent for John Hancock Mutual Life in New York, will be the speaker at the Jan. 24 meeting of the Boston Association of Life Underwriters. His topic will be, "Let's Remember What We Used to Know."

Mr. Camps is a past president of the Boston association, having represented John Hancock there before being transferred to New York City. He has been outstandingly successful as a manager and has been active in association work. William H. Daley, Jr., president, will preside.

Jackson Postal L. & C. Head

KANSAS CITY—O. R. Jackson, vice-president of Postal Life & Casualty, has been elected president succeeding Mrs. N. M. Brown, who was chosen chairman. J. W. Walker, C. M. Mitchell and Mrs. John F. Rhodes were elected vice-presidents.

Mr. Jackson was chief examiner for the Missouri department from 1933 to 1941, when he resigned to join Postal L. & C. as vice-president.



"... And this is our new juvenile policy."

Retaliatory Laws' Effects Shown in Ill. Study

How the retaliatory provisions in the insurance laws of various states operate in the licensing of brokers who are not residents of Illinois was shown in a bulletin issued by H. Walter Hanson, Jr., supervisor of licenses of the Illinois insurance department. This sets forth the rules which will be adhered to by the department.

It was noted the Illinois retaliatory provision prohibits issuance of brokers licenses to residents of a few states, including Louisiana, not licensed for casualty; Montana and South Carolina, not licensed; Texas, not licensed for life insurance; Arizona, not licensed for fire and casualty.

Fees Generally Are \$10

Most of the states provide a \$10 fee for an individual or for each active firm member, both for fire and casualty, and life. Those doing so with no restriction as to classification are: Colorado, Connecticut, Delaware, Georgia, Iowa, Maine, Maryland, New Hampshire, Oklahoma, Vermont, Virginia, West Virginia and Wyoming.

Others charging \$10 fee but with qualifications are: Arkansas, Florida, Indiana, Kansas, Kentucky, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina (examination required with \$10 additional fee), North Dakota, Ohio, Oregon, Pennsylvania (life \$10, fire and casualty \$10 for individual and \$25 for firm), South Dakota, Texas, Wisconsin, Arizona.

Fees of \$100 for fire and casualty and \$10 for life are charged residents of California, Idaho, Nevada, Utah, Washington, except that for California a \$1,000 surety bond executed in Illinois is required and for Washington the life insurance fee is \$11 initially and \$10 in succeeding years.

License fee for Maine residents is \$50, for Alabama \$25. A scale of \$25 for fire and casualty, \$10 for life is employed on residents of District of Columbia (a \$1,000 bond also being required); New

CONVENTION DATES

Jan. 23-25, National Assn. of A. & H. Underwriters, Wichita, Lassen Hotel.

Jan. 23-25, All-industry committee, Hotel New Yorker, New York.

Jan. 25, American Assn. of University Teachers of Insurance, Cleveland.

Feb. 5-6, Health & Accident Conference, mid-year, Stevens Hotel, Chicago.

Va. Creditor Exemption Bill

RICHMOND—A bill is being prepared for introduction in the Virginia legislature providing for exemption of cash surrender values of life policies from claims of creditors. A similar bill failed of passage at the last session.

\$15 Minn. Mutual Pay Increase

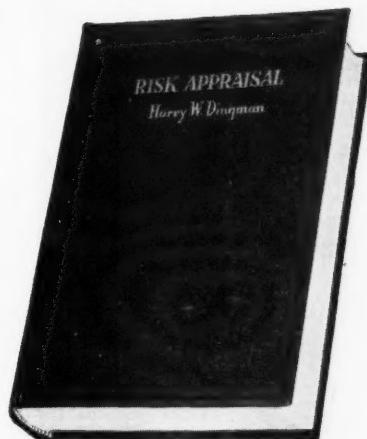
The clerical and supervisory staff of Minnesota Mutual Life has been given a \$15 per month increase in salaries. The increase is retroactive to Jan. 1, and affects 212 employees.

Jersey, Tennessee (for fire and casualty), life \$22, which can be prorated by quarters, \$22, \$17, \$12 and \$10; \$20 and \$10 for Louisiana, New Mexico and New York.

Massachusetts, \$25 for one or two individuals in a firm, \$30 for three, \$10 for each additional; Michigan, \$30 for one to three persons covering all classifications if previously issued two or more licenses, and \$10 if previously issued only one.



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